



VIRGIN ISLANDS

FINANCING AND MONEY SERVICES ACT **Statutory Instruments**

Revised Edition

showing the law as at 1 January 2020

This is a revised edition of the law, prepared by the Law Revision Commissioner under the authority of the Law Revision Act 2014.

This edition contains a consolidation of the following laws—

FINANCING AND MONEY SERVICES (EXEMPTIONS) REGULATIONS

S.I. 33/2015 .. in force 1 June 2015

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**FINANCING AND MONEY SERVICES (EXEMPTIONS) REGULATIONS –
SECTIONS 5(2) AND 49(1)**

(S.I. 33/2015)

Commencement

[1 June 2015]

Citation

1. These Regulations may be cited as the Financing and Money Services (Exemptions) Regulations.

Exemption in relation to financing business

2. (1) Subject to sub-regulations (2) and (3), a company shall not be considered to be carrying on financing business and is therefore exempted from the requirement to be licensed by virtue of section 7(1) of the Financing and Money Services Act if the company—

- (a) is incorporated or registered in a jurisdiction outside the Virgin Islands; and
- (b) is not prohibited under the laws of the jurisdiction in which it is incorporated or registered from providing credit under financing agreements to borrowers resident outside that jurisdiction.

(2) A company that is exempted from being licensed by virtue of sub-regulation (1) may provide credit under a financing agreement to a borrower resident in the Virgin Islands if—

- (a) the borrower is unable to secure a loan facility from a bank licensed to carry on business in the Virgin Islands;
- (b) the company intends to provide financing to the borrower in the Virgin Islands in an amount not exceeding \$1,000,000; and
- (c) the company is from a recognised jurisdiction.

(3) The total number of borrowers in the Virgin Islands to whom a company exempted under sub-regulation (1) may provide credit under a financing agreement shall not exceed 5.

(4) For purposes of subregulation (2)—

- (a) a borrower may be treated as unable to secure a loan facility from a bank licensed to carry on business in the Virgin Islands if the borrower—
 - (i) provides an affidavit notarized by a notary public registered in the Virgin Islands attesting to his or her inability to secure a loan facility and the reasons therefor; and
 - (ii) lodges the affidavit with the Commission prior to entering into any financing agreement or receiving credit pursuant to a financing agreement, whichever comes first; and
- (b) the term “recognised jurisdiction” refers to a jurisdiction listed in Schedule 2 of the Anti-Money Laundering and Terrorist Financing Code

of Practice, provided that that jurisdiction regulates the activity of financing business.

(5) Where an affidavit provided under sub-regulation (4)(a) is found to be inaccurate or false in any material particular, the person providing the affidavit commits an offence and is liable on conviction to a fine not exceeding \$20,000 or to a term of imprisonment not exceeding 2 years.
