

JAMAICA

No. 12-2024

I assent,

[L.S.]

PATRICK L. ALLEN,  
*Governor-General.*

21st day of November, 2024.

AN ACT to Amend the Financial Services Commission Act.

[ The date notified by the Minister  
bringing the Act into operation ]

BE IT ENACTED by the Parliament of Jamaica, by and with the advice and consent of the Senate and House of Representatives of Jamaica, and by the authority of the same, as follows:—

1.—(1) This Act may be cited as the Financial Services Commission (Amendment) Act, 2024, and shall be read and construed as one with the Financial Services Commission Act (hereinafter referred to as the "principal Act") and all amendments thereto.

Short title  
and  
commencement.

(2) This Act shall come into operation on a day to be appointed by the Minister by notice published in the *Gazette*.

2. Section 2 of the principal Act is amended—

(a) by renumbering the section as subsection (1) of the section;

Amendment  
of section 2  
of principal  
Act.

- (b) by inserting in the appropriate alphabetical sequence the following definitions—

“beneficial owner” has the meaning assigned to it in section 2 of the Trust and Corporate Services Providers Act;

“beneficial ownership” means any situation or state in which ownership of a company is exercised by direct or indirect control over the management or voting rights of the entity;

“control” means the possession of power by any person (acting alone or jointly with another) to direct or influence the direction, management and policies of an incorporated or unincorporated entity, through the legal or beneficial ownership of shares or by contract (other than a commercial contract for goods and non-management services) or otherwise, but does not include power derived from an official position with that incorporated or unincorporated entity;

“deposit taking institution” has the meaning assigned to it in section 2 of the Banking Services Act;

“fit and proper” has the meaning assigned to it in section 14D;

“foreign financial regulatory authority” means a regulatory authority in a country other than Jamaica which has supervisory functions—

- (a) with respect to a company that is incorporated, and provides financial services in that country; and
- (b) that are similar to the functions of the Bank of Jamaica or the Commission;

“global group” means a group offering financial services within and outside Jamaica, that includes a

prescribed holding company in Jamaica  
which is a subsidiary of an ultimate holding  
company incorporated outside of Jamaica;

“group” in relation to a company, means that  
company and—

- (a) any other company that is its holding  
company;
- (b) any other company that is a  
subsidiary of the holding company;
- (c) any company that directly or  
indirectly controls or is controlled,  
directly or indirectly, by any  
company referred to in paragraph  
(a) or (b); and
- (d) any company that is controlled by a  
person who directly, or indirectly  
controls a company referred to in  
paragraphs (a), (b) or (c);

“group-wide supervision” means the supervisory  
approach used in monitoring and evaluating  
the operations of a licensee within a  
prescribed financial group, and the  
operations of a prescribed financial group,  
on a consolidated basis, including—

- (a) overseeing the structure of a  
prescribed financial group;
- (b) supervising the constituent entities of  
a prescribed financial group;
- (c) regulating the management,  
governance and operational

arrangements of a prescribed financial group;

- (d) examining the interrelationships between companies within a prescribed financial group;
- (e) scrutinizing compliance with prudential and market conduct standards;
- (f) evaluating individually and collectively, the strength and soundness of the constituent members of a prescribed financial group; and
- (g) evaluating compliance with the Proceeds of Crime Act, the Terrorism Prevention Act, the United Nations Security Council Resolutions Implementation Act and any relevant Act;

“immediate relative” in relation to any person, means the person’s spouse, child and the spouse of a child, parent, brother or sister;

“prescribed financial group” means a group that does not include a deposit taking institution, and—

- (a) is made up of one or more prescribed financial institutions;
- (b) is headed by a prescribed holding company; and
- (c) may include a company that does not offer financial services;

“prescribed holding company” means a company —

- (a) that is licensed under this Act as a prescribed holding company; and



- (b) under which all other companies within a prescribed financial group are held, including—
  - (i) any of the subsidiaries of that company; and
  - (ii) companies over which the prescribed holding company has control,

but does not include the ultimate holding company;

“regulator” means the Bank of Jamaica as established under section 3 of the Bank of Jamaica Act, the Registrar of Co-operative Societies appointed under section 3 of the Co-operative Societies Act, a foreign financial regulatory authority or any authority that has supervisory functions with respect to a company which is incorporated in Jamaica or services that are offered in Jamaica, that are similar to the supervisory functions of the Commission or the Bank of Jamaica;

“relevant activity” includes—

- (a) the provision of banking, insurance, money management, cambio operations and remittance services;
- (b) dealing in securities;
- (c) provision of investment or investment advice; and
- (d) provision of trust and corporate services.

“ultimate beneficial owner” means any natural person exercising ultimate control of a company through legal or beneficial ownership or control over the shares of the company;

“ultimate effective control” has the meaning assigned to it in section 2 of the Trust and Corporate Services Providers Act;

“ultimate holding company” means a body corporate, not being a subsidiary of another company or body corporate, that has control of a prescribed financial group;

“ultimate ownership” has the meaning assigned to it in section 2 of the Trust and Corporate Services Providers Act.;

(c) in the definition of “financial services” by deleting subparagraph (b)

(ii) and substituting therefor the following—

“(ii) units under a collective investment scheme in accordance with section 17A of the Securities Act;”;

(d) by deleting the definition of “licence” and substituting therefor the following—

“licence” means a licence issued pursuant to this Act or a relevant Act;

(e) by inserting next after subsection (1) as renumbered, the following as subsections (2) and (3)—

“ (2) The following persons shall be treated as being associated with a given person (“A”) and that person with them, and shall be so treated notwithstanding that at the relevant time, any of the persons in question (in

the case where such person is not an individual) had not yet come into existence or had ceased to exist—

- (a) a holding company or subsidiary of A;
  - (b) a subsidiary of a holding company of A;
  - (c) a holding company of a subsidiary of A;
  - (d) any company of which A has control;
  - (e) any company of which A and persons connected with A together have control;
  - (f) any company which together with A constitute a group;
  - (g) an individual who is a director, manager or a person who has control of A or any partner or any immediate relative of such director, manager or person as aforesaid;
  - (h) any company of which any of the persons referred to in paragraph (g) is a director, manager or has control;
  - (i) the ultimate holding company of A;
  - (j) a significant owner of A;
  - (k) the ultimate beneficial owners of any substantial shareholding in A, whether under a trust or other legal arrangement or through any direct or indirect share-holding; and
  - (l) any other person identified by the Commission to be a person who should be treated as connected to A by virtue of that person's relationship with A.
- (3) In subsection (2)—
- “significant owner” means any person who—
- (a) holds or is deemed to hold, solely, jointly or in concert with any other person, such percentage of shares as

the Commission may prescribe, by notice, published in the *Gazette*;

- (b) has voting rights due to share-holding equivalent to ten percent or such other percentage of shares as the Commission may prescribe, by notice, published in the *Gazette*; or
- (c) has the power to appoint or remove directors.

“substantial shareholding” means the ownership of twenty per centum or more of the shares in A.

Amendment  
of section 6  
of principal  
Act.

**3. Section 6 of the principal Act is amended—**

(a) in subsection (1)—

- (i) by inserting in paragraph (a) the words “and prescribed holding companies” immediately after the word “institutions”;
- (ii) in paragraph (b), by deleting the words “such institutions” and substituting therefor the words “prescribed financial institutions and prescribed holding companies”;
- (iii) by deleting in paragraph (c) the words “such institutions” and substituting therefor the words “prescribed financial institutions and prescribed holding companies”;
- (iv) by inserting in paragraph (d) the words “and prescribed holding companies” immediately after the word “institutions”;
- (v) by deleting the fullstop appearing at the end of paragraph (e) and substituting therefor a semi-colon; and



(vi) by inserting next after paragraph (e), as amended, the following—

“(f) undertake group-wide supervision of prescribed financial groups for the effective supervision and regulation of prescribed financial groups and each company within a group.”;

(b) in subsection (2)—

(i) by inserting in paragraph (a) the words “and prescribed holding companies” immediately after the word “institutions”;

(ii) by inserting in paragraph (c) immediately after the word “of” the words “this Act and”;

(iii) by deleting paragraph (e) and substituting therefor the following—

“(e) subject to such provisions as may be prescribed, summon the auditor or actuary, or any former auditor or actuary of a prescribed financial institution or any company within a prescribed financial group for the purpose of making enquiries into the operations and financial position of the prescribed financial institution or any company within the prescribed financial group”;

(iv) by inserting in paragraph (f), immediately after the words “prescribed financial institution”, the words “or a prescribed holding company”;

(c) by inserting next after subsection (2), the following—

“(2A) At such times as the Commission may deem necessary, the Commission may require a prescribed

holding company, or a company within a prescribed financial group, to provide information relating to—

- (a) whether any company within a prescribed financial group is obtaining financing or any other direct or indirect benefit from the prescribed holding company or from any other company within the group;
- (b) any risk of exposure to any company within a prescribed financial group which arises from the operations of any other company within the group, or from the operations of the prescribed holding company;
- (c) the internal control, risk management and audit facilities of a prescribed financial group, for the effective evaluation of associated risks;
- (d) the financial position of the prescribed holding company or any company within a prescribed financial group; and
- (e) the effect of the operations of a third party on the prescribed holding company, or on any company within the prescribed financial group.

(2B) In subsection (2A) “third party” means a person who is not a member of a prescribed financial group.

(2C) In the exercise of its functions under this Act or a relevant Act, the Commission may issue directions or guidelines to a prescribed holding company or any company within a prescribed financial group or a prescribed financial institution, from time to time.

(2D) Directions or guidelines issued by the Commission in accordance with subsection (2C) shall be made by notice, published in the *Gazette*.”

(2E) A company within a prescribed financial group or a prescribed financial institution that fails to comply with any direction or guidelines issued by the Commission, pursuant to subsection (2C), commits an offence, and is liable, on summary conviction in a Parish Court, to a fine not exceeding three million dollars.

(d) in subsection (3)—

- (i) by inserting in paragraph (a) immediately after the word “institution”, the words “or prescribed holding company”;
- (ii) by inserting in paragraph (b) immediately after the words “prescribed financial institution”, the words “or prescribed holding company”;

(e) in subsection (4) by deleting the words “shall be guilty of an offence.” and substituting therefor the words, “commits an offence and is liable, on summary conviction in a Parish Court, to a fine not exceeding three million dollars.”.

4. Section 8 of the principal Act is amended—

Amendment  
of section 8  
of principal  
Act.

- (a) in the marginal note, by inserting immediately after the word “insolvency” the words “of prescribed financial institutions”;
- (b) in subsection (1) by deleting the words “paragraph 1, 2, 2A or 3 of Part A of the Third Schedule” and by substituting therefor the words “paragraph 1, 2, 3 or 4 of Part A of the Third Schedule”;
- (c) in subsections (1)(a) and (1)(b) by inserting immediately before the word “institution”, wherever it appears, the words “prescribed financial”;

(d) in subsection (2) by—

- (i) inserting in the chapeau the words “prescribed financial” immediately before the word “institution’s”;
- (ii) deleting in paragraph (a) the words “the institutions” and substituting therefor the words “a prescribed financial institution”;
- (iii) inserting in paragraph (c) the words “prescribed financial” immediately before the word “institution”;

(e) in subsection (3) by deleting the words “shall be guilty of an offence.” and substituting therefor the words “commits an offence and is liable, on summary conviction in a Parish Court, to a fine not exceeding three million dollars.”;

(f) in subsection (4) by deleting the words “any transaction” and substituting therefor the words “any existing transaction”;

(g) in subsection (5) by—

- (i) deleting from the chapeau, the words “paragraph 4, 5, 6, 7, 8, 9 or 10 of Part A” and substituting therefor the words “paragraph 5, 6, 7, 8, 9, 10 or 11 of Part A”; and
- (ii) deleting in paragraphs (b), (c) and (d) the word “institution” and substituting therefor the words “prescribed financial institution”; and

(h) by deleting subsection (6).

Insertion of  
new sections  
8A and 8B in  
principal Act.

5. The principal Act is amended by inserting next after section 8, as amended, the following as section 8A and section 8B—

|                                                                                                     |                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>“Insolvency<br/>of prescribed<br/>holding<br/>companies.<br/>Part A.<br/>Third<br/>Schedule.</p> | <p>8A—(1) Where the Commission has grounds for believing that any of the conditions specified in paragraph 1, 2, 3 or 4 of Part A of the Third Schedule exist, in relation to prescribed holding company, the Commission may—</p> |
|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

- (a) require that the prescribed holding company give an undertaking, signed by



the majority of the board members of the prescribed holding company, to take such corrective action as may be agreed between the prescribed holding company and the Commission;

Part B.  
Third  
Schedule.

- (b) give directions to the prescribed holding company;
- (c) issue a cease and desist order in accordance with Part B of the Third Schedule; or
- (d) exercise any other function conferred on the Commission by this Act, or pursuant to any relevant Act.

(2) The Commission may issue a direction in accordance with subsection (1) (b) where the Commission deems it necessary to—

- (a) preserve the stability of a prescribed financial group and each company within the group; or
- (b) control risks, not limited to money laundering and terrorist financing, within a prescribed financial group.

(3) A prescribed holding company that fails to comply with any requirement, or contravenes any prohibition imposed by any direction or cease and desist order, commits an offence and is liable, on summary conviction in a Parish Court, to a fine not exceeding three million dollars.

(4) A contravention of any direction or prohibition imposed by the Commission shall not invalidate any existing transaction.

Part A.

(5) Where the Commission believes that any of the conditions specified in paragraph 5, 6, 7, 8, 9, 10 or 11 of Part A of the Third Schedule exist, in relation to a prescribed holding company, the Commission may—

Part C.  
Third  
Schedule.

- (a) take such action as the Commission considers appropriate under subsection (1);
- (b) assume the temporary management of the prescribed holding company in accordance with Part C of the Third Schedule;
- (c) suspend the licence of the prescribed holding company in accordance with section 14H;
- (d) revoke the licence of the prescribed holding company pursuant to section 14I; or
- (e) present to the court a petition for the winding up of the prescribed holding company or an application regarding the reconstruction thereof.

8B. The provisions of the Companies Act relating to the mode of winding up by the court, and to arrangements for reconstruction, shall, with such modifications and adaptations as may be necessary, apply to a petition or application made by virtue of sections 8 (5)(d) and 8A (5)(e).”

6. The principal Act is amended by inserting next after section 14 the following—

Insertion of  
new sections  
14A to 14M  
in principal  
Act.

“ *Licensing and Supervision of Prescribed  
Holding Companies*

Requirement  
for prescribed  
holding  
company.

14A. A prescribed financial institution, and any company that is associated with the prescribed financial institution, shall be controlled by a prescribed holding company.

Licence to  
operate a  
prescribed  
holding  
company.

14B.—(1) A company that intends to operate as a prescribed holding company shall apply to the Commission for a licence in accordance with this section.

Fifth  
Schedule.

(2) An application for a licence to operate as a prescribed holding company shall be made to the Commission in the form set out in the Fifth Schedule and shall be accompanied by—

- (a) the application fee prescribed by the Commission;
- (b) a certificate of incorporation issued by the Registrar of Companies;
- (c) audited financial statements for the three years immediately preceding the application, in the manner specified by the Commission, by notice published in the *Gazette*;
- (d) in the case of a newly registered company, projected financial statements for the next three years from the date of the application, certified by a firm of

chartered accountants, in the form specified by the Commission, by notice published in the *Gazette*; and

- (e) the documents specified by the Commission in the Sixth Schedule.

Sixth  
Schedule.

(3) Where the applicant for a licence to operate as a prescribed holding company is a prescribed financial institution, the Commission shall consider whether—

- (a) the prescribed financial institution is able to fulfil its statutory obligations—
- (i) under this Act; and
  - (ii) under a relevant Act governing the operations of the prescribed financial institution;
- (b) the operations of the prescribed financial institution as a prescribed holding company will reduce group transparency or inhibit group-wide supervision of the prescribed financial group; and
- (c) each prescribed financial institution in the prescribed financial group will be able to comply with its obligations under any relevant Act governing its operations.

Grant or  
refusal of  
licence.

14C.—(1) Where, pursuant to section 14B, the Commission receives an application for a licence to operate as a prescribed holding company, the Commission may—

- (a) grant the licence in the form set out in the Seventh Schedule, on such terms and

Seventh  
Schedule.



conditions as the Commission thinks fit, if the Commission is satisfied that the applicant meets the requirements set out in subsection (2);

- (b) require that the applicant furnish such additional information or documents as may be relevant to the application; or
- (c) refuse the application if the applicant fails to meet the requirements specified in subsection (2).

(2) The requirements referred to in subsections (1)(a) and (c) are as follows—

- (a) the applicant is incorporated in Jamaica;
- (b) all persons exercising management or control of the applicant have been assessed as fit and proper by the Commission, upon the completion of the fit and proper questionnaire set out in the Eighth Schedule;
- (c) the applicant satisfies the solvency and liquidity requirements, or such other criteria, prescribed by the Commission.

Eighth  
Schedule.

(3) Where the Commission is not satisfied, in respect of an application, as to one or more of the requirements set out in subsection (2), the Commission shall—

- (a) notify the applicant, in writing, of the intention to refuse the application and the reasons for the decision; and
- (b) afford the applicant an opportunity to be heard by the making of oral or written submissions on the intended action to the Commission.

(4) Subject to subsection (3) the Commission shall notify the applicant, in writing, of the right of appeal to the Appeal Tribunal where the decision to refuse an application for a licence has been made.

Fit and  
proper  
person.

14D. For the purposes of this Act, a person, whether in Jamaica or elsewhere, is a fit and proper person if—

(a) the person—

Second  
Schedule.

- (i) has not been convicted of an offence involving dishonesty, or an offence specified in the Second Schedule to the Proceeds of Crime Act, the Terrorism Prevention Act or the Banking Services Act, or an offence that is similar to any such offence in another jurisdiction;
- (ii) is not bankrupt within the meaning of the Insolvency Act;
- (iii) is compliant with the tax requirements imposed on the person; and
- (iv) is, in the opinion of the Commission, a person of sound probity and is able to exercise competence, diligence and sound judgement in fulfilling the

obligations of the applicant in  
relation to a licence;

(b) in the case of a company, the  
Commission is satisfied that—

- (i) the persons exercising  
management or control of the  
company possess the  
knowledge, skills and  
experience necessary for the  
intended functions to be  
carried out by those persons;
- (ii) the relationship of the directors  
and officers of the company  
will not threaten the interest of  
the applicant for the licence or  
the interest of the stakeholders  
of the applicant; and
- (iii) the persons exercising  
management or control of the  
company are not associated  
with any other company, which  
at the time of the association,  
engaged in, or provided  
financial services, without a  
licence having been issued  
under a relevant Act.

Duration of  
licence.

14E. A licence granted under section 14C shall remain valid, unless suspended or revoked in accordance with section 14H or 14I, respectively, or is surrendered by the licensee, by notice, in writing, to the Commission.

Amendment  
of licence.

14F. The Commission may amend the terms and conditions of the licence of a prescribed holding company—

- (a) on the initiative of the Commission, where there is reasonable cause to do so, and after consultation with the prescribed holding company; or
- (b) on the application of the prescribed holding company.

Annual  
licence fee.

14G. A prescribed holding company shall pay to the Commission, on the anniversary date corresponding with the date of issuance of the licence, the annual licence fee prescribed, by the Minister, by order.

Suspension  
of licence.

14H.—(1) The Commission may suspend the licence of a prescribed holding company in any case where the Commission is satisfied that a prescribed holding company—

- (a) no longer satisfies the conditions governing the grant of the licence;
- (b) has breached any of the terms or conditions of the licence; or
- (c) has failed to pay the annual licence fee in accordance with section 14G.

(2) Before taking a decision to suspend a licence under subsection (1), the Commission shall—

- (a) notify the prescribed holding company, in writing, of the proposed suspension and the reason for the proposed suspension;



- (b) in the case of a breach that is capable of being remedied, require the prescribed holding company to remedy such breach within the time specified by the Commission, by notice, in writing;
- (c) indicate a period, not being less than thirty days after the service of the notice, within which the prescribed holding company may make written or oral representations to the Commission on the proposed action to remedy the breach; and
- (d) subject to paragraph (b) and (c), notify the prescribed holding company, in writing, of the decision of the Commission.

(3) Where a prescribed holding company is issued a notice, pursuant to subsection (2), a suspension of the licence shall not take effect until the expiration of the period specified in the notice, in any case where the prescribed holding company has failed to remedy a breach.

(4) A prescribed holding company that is served with a notice pursuant to subsection (2) shall, after remedying the breach which gave rise to the notice of suspension, notify the Commission, in writing, that the breach has been remedied.

(5) Where the Commission exercises the discretion to suspend a licence, the Commission shall notify the prescribed holding company, in writing, of the right to appeal to the Appeal Tribunal.

Revocation  
of licence.

14I.—(1) The Commission may revoke the licence of a prescribed holding company where—

- (a) the prescribed holding company has failed to comply with the provisions of this Act or regulations made under this Act;
- (b) the application for a licence made by the prescribed holding company contained false or misleading information in a material particular;
- (c) the prescribed holding company failed to remedy a breach which gave rise to a suspension of the licence of the prescribed holding company under section 14H, within the time specified in a notice issued in accordance with section 14(H)(2);
- (d) the prescribed holding company notifies the Commission, in writing, that a resolution has been passed for the voluntary winding up of the prescribed holding company; or
- (e) the prescribed holding company has been ordered by a court to be wound up.

(2) A prescribed holding company that fails to notify the Commission that a resolution has been passed, in accordance with subsection (1)(d), commits an offence and is liable, on summary conviction in a Parish Court, to a fine not exceeding three million dollars.

(3) Before taking a decision to revoke a licence under subsection (1), the Commission shall—

- (a) notify the prescribed holding company, in writing, of the proposed revocation and the reasons for the decision;
- (b) indicate a period, not being less than thirty days after the service of the notice, within which the prescribed holding company may make written or oral representations to the Commission on the decision to revoke the licence;
- (c) subject to paragraph (b) notify the prescribed holding company, in writing, of the decision of the Commission; and
- (d) subject to paragraph (b) notify the prescribed holding company, in writing, of the right to appeal to the Appeal Tribunal where the decision to revoke a licence has been made.

(4) Where the licence of a prescribed holding company is revoked pursuant to this section, the prescribed holding company shall return the licence to the Commission within seven days.

(5) A prescribed holding company that fails to return a licence that has been revoked to the Commission within the time specified in subsection (4), commits an offence and is liable, on summary conviction in a Parish Court, to a fine not exceeding three million dollars.

Directions  
for restruc-  
turing.

14J.—(1) The Commission may issue directions for the restructuring of a prescribed financial group or a prescribed financial institution, where—

- (a) a group, which comprises one or more prescribed financial institutions is not controlled by a prescribed holding company in accordance with section 14A;
- (b) the structure of a prescribed financial group is likely to impede group-wide supervision;
- (c) a prescribed financial group has control of a branch, subsidiary or a company outside of Jamaica;
- (d) a prescribed financial institution is a member of a prescribed financial group which has a branch, subsidiary or control of a company outside of Jamaica;
- (e) two or more prescribed financial institutions operating in Jamaica are members of a prescribed financial group which has a parent company headquartered outside of Jamaica; or
- (f) there exists any other condition that may be specified by the Commission, from time to time.

(2) Subject to subsection (3), a restructuring under subsection (1) shall be carried out within twelve months of the date of the direction issued by the Commission.



(3) The Commission may, having specified conditions, extend the period prescribed in subsection (2), following the receipt of a request from the prescribed financial group or prescribed financial institution for an extension.

(4) Subject to subsection (5), the Commission shall not direct a restructuring of the prescribed financial group where an associated person, over which a prescribed holding company exercises control, is a part of a global group that is subject to group-wide supervision by a regulator or a foreign financial regulatory authority that has established procedures for information exchange, communication and collaboration with the Commission.

(5) Where a regulator or a foreign financial regulatory authority has failed to provide information, communicate or collaborate with the Commission, where a request has been made in the exercise of group-wide supervision, the Commission may direct that—

- (a) the prescribed financial institution establish a prescribed holding company in Jamaica; or
- (b) the prescribed financial group restructures in accordance with the terms and conditions issued by the Commission in any other circumstance.

(6) A prescribed financial group or a prescribed financial institution that fails to comply with the directives of the Commission, pursuant to

subsection (1), commits an offence and is liable, on summary conviction in a Parish Court, to a fine not exceeding three million dollars.

Responsi-  
bilities and  
obligations of  
prescribed  
holding  
companies.

14K.—(1) A prescribed holding company shall—

- (a) ensure that adequate capital and other financial resources are maintained for the operations of the prescribed financial group;
- (b) manage the risks to the viability of the prescribed financial group and comply with reporting and other prudential requirements prescribed by the Commission, by notice published in the *Gazette*;
- (c) ensure compliance with the conditions of any licence held by the prescribed holding company or a prescribed financial institution, pursuant to this Act and any relevant Act;
- (d) ensure compliance, by each company within the prescribed financial group, to—
  - (i) this Act and any relevant Act that regulates that company; and
  - (ii) directions given by the Commission;
- (e) ensure the compliance of the prescribed financial group with the Proceeds of Crime Act, the Terrorism Prevention Act, the United Nations Security Council

Resolutions Implementation Act and any relevant Act;

- (f) maintain and submit annually, or at the request of the Commission, appropriate policies and procedures for inter-group transactions and group risk management to ensure prudent dealings and limit risk exposure to each company within the prescribed financial group;
- (g) ensure that it submits in the time and manner prescribed by the Commission, all financial statements and any specified data required by this Act in relation to the operations of the prescribed holding company and each company within the prescribed financial group; and
- (h) notify the Commission of events or circumstances that may affect the stability of the prescribed financial group, within thirty days of the event or circumstance arising.

(2) A prescribed holding company that fails to comply with paragraph (c), (d), (f), (g) or (h) of subsection (1) commits an offence and is liable, on summary conviction in a Parish Court, to a fine not exceeding three million dollars.

Information  
sharing  
within  
prescribed  
financial  
groups.

14L. A prescribed holding company shall establish procedures for information sharing within a prescribed financial group—

- (a) for the effective management of the obligations of each member of the

prescribed financial group under this Act and any relevant Act; and

- (b) to manage the risks associated with money laundering and terrorism financing.

Risks related to prescribed financial groups.

14M.—(1) A prescribed holding company shall take such measures as are specified, by the Commission, in writing, to properly identify, assess and manage—

- (a) the relationship among the members of the prescribed financial group;
- (b) the risks among members of the prescribed financial group and the global group; and
- (c) any other risks posed by external factors affecting the prescribed financial group.

(2) A prescribed holding company that fails to comply with subsection (1) commits an offence and is liable, on summary conviction in a Parish Court, to a fine not exceeding three million dollars.”.

Amendment of section 16 of principal Act.

7. Section 16 of the principal Act is amended—

- (a) in subsection (1)—

- (i) by deleting paragraph (d) (i) and substituting therefor the following—

“(i) to the designated authority in accordance with section 91 of the Proceeds of Crime Act, section 15 of the Terrorism Prevention Act and section 5 of the United Nations Security Council Resolution Implementation Act to facilitate any



investigation of an offence under any of these Acts;”.

- (ii) by deleting in paragraph (e), the words “an overseas regulatory authority” and substituting therefor the words “a foreign financial regulatory authority;” and

- (b) by deleting subsection (2) and substituting therefor the following—

“ (2) In subsection (1) “competent authority” means the Minister, the Supervisor of Banks and Financial Institutions, the Chief Executive Officer of the Jamaica Deposit Insurance Corporation or the Financial Secretary.”.

**8. Section 18 of the principal Act is amended—**

Amendment  
of section 18  
of principal  
Act.

- (a) in subsection (1) by deleting paragraph (b) and substituting therefor the following—

“(b) licensing and registration under this Act and other relevant Acts.”; and

- (b) by inserting next after subsection (2) the following—

“ (3) The Minister may, taking into account the recommendation of the Commission, prescribe by order, any matter incidental to the operation of this Act, and in particular, any such order may prescribe —

- (a) licence fees;
- (b) group capital adequacy ratios and limits on capital gearing for groups;
- (c) group liquidity metric and limits for inter-company balances, transactions and large exposure for a prescribed financial group; and

Insertion of  
new sections  
18A and 18B  
in principal  
Act.

- (d) the risk management framework for the management of investment assets.

(4) An order made pursuant to subsection (3) shall be subject to affirmative resolution.”.

9. The principal Act is amended by inserting next after section 18, as amended, the following as sections 18A and 18B—

“Power to  
make  
regulations  
for group-  
wide  
supervision  
of  
prescribed  
financial  
groups.

18A.—(1) The Commission may, with the approval of the Minister, make regulations for the effective group-wide supervision of prescribed holding companies, and constituent members of a prescribed financial group, and in particular, but without prejudice to the generality of the foregoing, may make regulations—

- (a) for the prescription of solvency and other requirements for prescribed financial groups;
- (b) establishing minimum standards and best practices for—
  - (i) corporate governance;
  - (ii) risk management;
  - (iii) large exposure and concentration limits;
  - (iv) intra-group transactions; and
  - (v) any other standards that the Commission may deem fit;
- (c) for reporting and disclosure by companies within a prescribed financial group, including the prescribed holding company; and
- (d) establishing measures for the management and resolution of crisis situations, and

where necessary, for the effective and orderly winding up of a prescribed financial group or a prescribed financial institution within a prescribed financial group.

(2) Notwithstanding section 29(1)(b) of the Interpretation Act, regulations made under subsection (1) may provide, in respect of a breach of a provision thereof, for the imposition of penalties on summary conviction in a Parish Court to a fine not exceeding three million dollars.

(3) Regulations made under subsection (1) shall be subject to affirmative resolution.

Power of  
Minister to  
amend  
monetary  
penalties.  
First, Second,  
Third,  
Fourth, Fifth,  
Sixth,  
Seventh and  
Eighth  
Schedules.

18B. The Minister may, by order, subject to affirmative resolution, amend—

- (a) any monetary penalty imposed by this Act or regulations made under this Act;
- (b) the First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth Schedules.”.

**10.** Section 19 of the principal Act is amended by inserting immediately after the word “under”, the words “this Act or”.

Amendment  
of section 19  
of principal  
Act.

**11.** Subsection (1) of section 21 of the principal Act is amended by inserting immediately after the word “under”, the words “this Act or”.

Amendment  
of section 21  
of principal  
Act.

**12.** Subsection (1) of section 23 of the principal Act is amended by inserting immediately after the words “pursuant to”, the words “this Act or”.

Amendment  
of section 23  
of principal  
Act.



Amendment  
of Third  
Schedule of  
principal Act.

**13. The principal Act is amended in the Third Schedule by deleting Part A and substituting therefor the following—**

“

THIRD SCHEDULE

(Sections 8(1), 8(5),  
8A(1) and 8A(5))

PART A

*Conditions Subject to Remedial Action*

1. The prescribed financial institution or prescribed holding company has breached the provisions of its memorandum or articles of association.

2. The prescribed financial institution, a prescribed holding company or a director, employee, agent or either of them, in the conduct of the business of the prescribed financial institution or prescribed holding company—

- (a) is engaging, or about to engage, in an unsafe or unsound business practice; or
- (b) is contravening or has contravened—
  - (i) any provision of this Act or any relevant Act or regulations made thereunder; or
  - (ii) any condition of the licence or registration granted under this Act or any relevant Act.

3. The prescribed financial institution or the prescribed holding company has breached any rule, standard or code issued under section 34(P)(1) of the Bank of Jamaica Act or there is any contravention by the prescribed financial institution or the prescribed holding company in meeting the specified time for compliance therewith.

4. A director or manager has ceased to be a fit and proper person and the prescribed financial institution or prescribed holding company has refused or neglected to take appropriate action.

5. A final judgment has been obtained against the prescribed financial institution or prescribed holding company and has remained unsatisfied for at least one month.

6. The prescribed financial institution or prescribed holding company has given false or misleading information in its application for a licence or registration or false statements concerning its affairs.

7. The prescribed financial institution or prescribed holding company is contravening or has contravened any cease and desist order or any



directions issued by the Commission pursuant to this Act or any relevant Act.

8. The value of the assets of the prescribed financial institution or prescribed holding company is substantially less than the amount of its liabilities.

9. The prescribed financial institution or a prescribed holding company has notified the Commission that it proposes to surrender its licence or registration.

10. A receiver has been appointed in respect of the prescribed financial institution or prescribed holding company.

11. The prescribed financial institution, a prescribed holding company, or a director, employee or agent of either of them, in the conduct of the business of the prescribed financial institution or prescribed holding company, contravened a provision of the Proceeds of Crime Act, the Terrorism Prevention Act or the United Nations Security Council Resolutions Implementation Act or any regulations made thereunder.”

14. The principal Act is amended in the Fourth Schedule by inserting immediately before the offences related to the Securities Act, the following—

Amendment  
of Fourth  
Schedule of  
principal Act.

“ THE FINANCIAL SERVICES COMMISSION ACT

|                                                                                                                                                                        |        |           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-----------|
| Failure to comply with a direction or guideline issued by the Commission                                                                                               | 6(2E)  | \$200,000 |
| Failure by a prescribed holding company to notify Commission, in writing, that a resolution has been passed for voluntary winding up of the prescribed holding company | 14I(2) | \$200,000 |
| Failure by a prescribed holding company to, within seven days, return a licence that has been revoked                                                                  | 14I(4) | \$200,000 |
| Failure by a prescribed financial group or a prescribed financial institution to comply with the directives of the Commission                                          | 14J(6) | \$200,000 |
| Failure by a prescribed holding company to comply with the conditions of licence                                                                                       | 14K(2) | \$200,000 |

|                                                                                                                                                                                                                                                                                                                    |        |             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------------|
| Failure by a prescribed holding company to ensure compliance by each company within a prescribed financial group with—                                                                                                                                                                                             | 14K(2) | \$200,000   |
| (a) the Act and any relevant Act that regulates that company; and                                                                                                                                                                                                                                                  |        |             |
| (b) directions given by the Commission                                                                                                                                                                                                                                                                             |        |             |
| Failure by a prescribed holding company to maintain and submit, annually, or at the request of the Commission, appropriate policies and procedures for inter-group transactions and group risk management to ensure prudent dealings and limit risk exposure to each company within the prescribed financial group | 14K(2) | \$200,000   |
| Failure by prescribed holding company to submit, in the time and manner prescribed by the Commission, all financial statements and any specified date required by the Act in relation to the operations of the prescribed holding company within the prescribed financial group                                    | 14K(2) | \$200,000   |
| Failure by prescribed holding company to notify the Commission of events or circumstances that may affect the stability of the prescribed financial group, within thirty days of the event or circumstances                                                                                                        | 14K(2) | \$200,000”. |

15. The principal Act is amended by inserting next after the Fourth Schedule, as amended, the following as the Fifth, Sixth, Seventh and Eighth Schedules—

Insertion of  
Fifth, Sixth,  
Seventh and  
Eighth  
Schedules in  
principal Act.

“ FIFTH SCHEDULE (Section 14B(2))

*Application Form for Prescribed Holding Company*

PRESCRIBED HOLDING COMPANY  
LICENCE APPLICATION FORM

1. APPLICANT BACKGROUND INFORMATION

1.1 Name: \_\_\_\_\_

1.2 Address of Registered Office: \_\_\_\_\_  
\_\_\_\_\_

1.3 Date of Incorporation: \_\_\_\_\_

1.4 Country of Incorporation: \_\_\_\_\_

1.5 Taxpayer Registration Number (TRN): \_\_\_\_\_

1.6 Companies Office of Jamaica Registration Number: \_\_\_\_\_

1.7 Telephone Number: \_\_\_\_\_

1.8 Fax Number: \_\_\_\_\_

1.9 Email Address: \_\_\_\_\_

1.10 Website Address: \_\_\_\_\_

1.11 List the names and positions of the Senior Managers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1.12 Indicate the financial year end of the applicant (dd/mm): \_\_\_\_\_

1.13 Indicate the financial year end of the immediate parent company of the applicant (dd/mm) (where applicable): \_\_\_\_\_

1.14 Indicate whether the applicant proposes to carry out its functions as a prescribed financial institution Yes ☐ No ☐

1.15 Attach the following documents for all members of the prescribed financial group—

(a) certified copy of the Certificate of Incorporation



attached Yes ☐ No ☐

- (b) certified copies of the Articles of Incorporation or equivalent documents.

attached Yes ☐ No ☐

1.16 Particulars of Audit Firm: \_\_\_\_\_

Name: \_\_\_\_\_

Address &amp; Telephone: \_\_\_\_\_

Name of Contact Person: \_\_\_\_\_

1.17 Attorney-at-Law of Applicant: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

- 1.18 Indicate the relevant foreign financial regulatory authority where the applicant is a foreign company or if any company within the prescribed financial group is a foreign company:

Name: \_\_\_\_\_

Email: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

## 2. OWNERSHIP AND GROUP STRUCTURES

- 2.1 State the name, address and principal business activities of any parent company of the applicant. Provide details of the amount and value of the shareholding of the parent company of the applicant (attach additional sheets where necessary).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- 2.2 Provide the name of any stock exchange on which the parent company at paragraph 2.1 is listed, if applicable.

\_\_\_\_\_  
\_\_\_\_\_



- 2.3 Provide a chart structure which clearly outlines the relationships among all the associated entities within the prescribed financial group of which the applicant is the head. The chart should highlight any holding entity with controlling interest, or with the ability to exercise control over the applicant or over any Other entity within the prescribed financial group that conducts activities or businesses that are considered material or critical to the prescribed financial group's operations.

Chart Provided Yes ☐ No ☐

- 2.4 State the names and addresses of all subsidiaries, affiliates or other bodies, partnerships and unincorporated associations that are related to the applicant and provide details of the nature of the affiliation with these entities. Explain the nature of the business and principal activities of the subsidiaries, affiliates and other associated bodies and indicate which entities are considered material to the activities of the prescribed financial group.

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- 2.5 Provide a list of all the entities within the prescribed financial group that are regulated or supervised, and the name and address of the regulator or foreign financial regulatory authority, as the case may be.

- 2.6 Where applicable, briefly describe the functions of the regulator or foreign financial regulatory authority to which the applicant will or may be accountable, including—

- (a) the extent to which the regulator or foreign financial regulatory authority exercises group-wide supervision;

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- (b) the manner in which the regulator or foreign financial regulatory authority supervises the global group to ensure the entities remain compliant and operate in a safe manner.

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- 2.7 Give details of the frequency and scope of on-site and off-site examinations conducted by the regulator or foreign financial regulatory authority and the date of the most recent examination.

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- 2.8 Provide details of any person who will, whether alone or jointly, possess or exercise control of 10% or more of the shares or voting power in the applicant, including—

- (a) in the case of an individual, details of the name, nationality, occupation, address (home and business), shareholding and voting power in the applicant;

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- (b) in the case of a legal person, the name, registered address, nature of business, shareholding and voting power in the applicant; and

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- (c) the number, type, class and value of shares held in each case.

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- 2.9 If there are no such persons as specified in paragraph 2.8, provide similar details on each of the 10 largest shareholders, grouping together immediate relatives, and “associated persons” as specified in section 2, where possible.

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- 2.10 In any case where a legal person owns 50% or more of the applicant, the applicant shall provide similar details as in 2.8 above, for the ultimate owner who holds 10% or more of the voting power in the

applicant or the ultimate beneficial owners who have control thereof.

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- 2.11 Has an application for any licence, membership, authorization, registration or other permission granted by a regulator or government body in Jamaica or overseas to the applicant or any person exercising legal or beneficial ownership ever been refused, revoked or discontinued ?

Yes: ☐ No: ☐

- 2.12 If me response to paragraph 2.11 is in the affirmative, provide details of the event(s) including references to the type and date of event(s), outcome(s), and explanation of the circumstances.

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- 2.13 Has the applicant, any of its subsidiaries, parent entity, related subsidiary, associated company or a director of any of the foregoing, been convicted in a court, censured or reprimanded by a regulator or foreign financial regulatory authority during the last 7 years, or are there any proceedings now on-going which may lead to such an outcome? If so, give details including reference to the type and date of event (s), outcome and explanation of the circumstances.

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- 2.14 Provide details of all beneficial owners, including—

- (a) in the case of a beneficiary who is an individual, details of the name, nationality, occupation, home or business address, shareholding and voting rights in relation to the applicant;



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(Amendment) Act, 2024*

- (b) in the case of a beneficiary who is a legal person, details of the name, registered business address, nature of business, shareholding and voting rights in relation to the applicant; and
- (c) the number, type, class and value of shares held by each such beneficiary

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### 3. FINANCIAL RESOURCES AND STRENGTH

- 3.1 Provide copies of audited financial statements (including Statement of Financial Position, Profit and Loss, Cash-flow Statement, Auditor's Report and Notes) for the last three years for the prescribed financial group of which the applicant is the head and all companies within the prescribed financial group. In any case provide "in-house" financial statements for the current operating period.

attached Yes ☐ No ☐

- 3.2 Where the applicant is part of a global group, include in response to paragraph 3.1, the global group's audited consolidated financial statements for the same period.

attached Yes ☐ No ☐

- 3.3 Provide the following regarding the applicant's capital accounts—

- (a) authorized capital (as per the Companies Act);

attached Yes ☐ No ☐

- (b) subscribed capital;

attached Yes ☐ No ☐

- (c) paid up capital;

attached Yes ☐ No ☐



(d) details of types or classes of shares.

attached Yes ☐ No ☐

4. STRATEGIC PLANS AND PROJECTIONS

4.1 Provide a detailed Strategic Plan for the prescribed financial group of which the applicant is the head.

Strategic Plan Provided Yes ☐ No ☐

4.2 In relation to the operations of the prescribed financial group, provide details regarding the financial, operational linkages and interdependencies between the activities of the applicant in Jamaica and regional or international operations, where applicable. Where such linkages are considered to be significant, elaborate on any assessment of external factors or internal constraints that could impact such linkages and interdependencies.

4.3 Indicate whether the prescribed financial group or the global group, of which the applicant is a part, is undergoing significant changes (e.g. merger, restructuring or expansion in particular business areas or markets) and whether such changes are currently being contemplated. If such changes are on-going or contemplated, indicate in detail how these changes may affect the operations of the prescribed financial group in Jamaica.

5. GOVERNANCE STRUCTURE AND ARRANGEMENTS, RISK MANAGEMENT AND INTERNAL CONTROLS

*Governance Structure and Arrangements*

5.1 Attach an organizational chart of the applicant and its subsidiaries and where possible, elaborate on the lines of reporting and accountability within the prescribed financial group and lines extending to the global group, if applicable.

attached Yes ☐ No ☐

5.2 provide the name, address, nationality, occupation and responsibilities of each director and office of the applicant and entities within the prescribed financial group. (Indicate if any person named above is, or is to be, an executive or non-executive director). Also highlight whether any of these persons are employed or contracted to any entity in the prescribed financial group or any of its affiliates, or hold 10% or more of the shares in any entity in the prescribed financial group or its affiliates.

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- 5.3 Provide, in relation to each director, officer and key employee of the applicant and members of the prescribed financial group, a completed "Fit and Proper Questionnaire" as well as a current passport size photograph and any policy regarding the appointment of officers.

(i) Fit and Proper Questionnaire

attached Yes ☐ No ☐

(ii) Current passport size photograph

attached Yes ☐ No ☐

(iii) Policy regarding the appointment of officers

attached Yes ☐ No ☐

*Compliance*

- 5.4 Provide clear details of the organizational structure, resources and reporting lines to govern the compliance function for the prescribed financial group for which the applicant is, or will be the head. Also provide any comprehensive compliance manual that may be in place in this regard.

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Comprehensive Compliance Manual

attached Yes ☐ No ☐

*Internal Audit*

- 5.5 Provide clear details regarding the internal audit functions for the prescribed financial group of which the applicant is, or will be the head, including an overview of the methodology, the resources employed and the relevant reporting and accountability structures across the prescribed financial group.

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*Risk Management*

- 5.6 Provide clear details of the group-wide risk management framework, systems and procedures for the prescribed financial group for which the applicant is, or will be the head, the resources employed and the relevant reporting and accountability structure across the prescribed financial group. In addition, attach the relevant risk management policies, where applicable (see paragraph 5.7)—

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*Risk Management Policy*

attached Yes ☐ No ☐

- 5.7 Provide the key policies and procedures governing, or that would govern the applicant's operation or intended operation, which address areas such as those indicated below (where applicable)—

(i) Credit/Lending

attached Yes ☐ No ☐

(ii) Concentration Risk

attached Yes ☐ No ☐

(iii) Group-wide Liquidity Risk Management including the following—

(a) Funding concentration/diversification

(b) Collateral management

(c) Intra-day liquidity

(d) Asset liability management

(e) Insurance risk mitigation e.g. reinsurance

(f) Anti-Money laundering

(iv) Group-wide operational risk

attached Yes ☐ No ☐

(v) Group-wide outsourcing

attached Yes ☐ No ☐

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- (vi) Group-wide business continuity  
attached Yes ☐ No ☐
- (vii) Group-wide capital management  
attached Yes ☐ No ☐
- (viii) Legal and reputational risk across the group  
attached Yes ☐ No ☐
- (ix) Abuse of financial services  
attached Yes ☐ No ☐
- (x) Code of business/market conduct used across the group  
attached Yes ☐ No ☐
- (xi) Other policies/procedures of significance  
attached Yes ☐ No ☐

*Corporate Governance*

- 5.8 Provide information regarding the composition of the applicant's Board. This should include notes highlighting instances where directors of the applicant's Board have involvement in other entities within the prescribed financial group and whether any Board member resides outside of Jamaica.
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- 5.9 Attach policies and procedures related to corporate governance across the prescribed financial group.

Corporate Governance policies and procedures attached

Yes ☐ No ☐

- 5.10 Attach the policies and procedures for Anti-Money Laundering, Countering Terrorism and Proliferation Financing:

Anti-Money Laundering, Countering Terrorism and Proliferation Financing policy and procedure attached

Yes ☐ No ☐

*System*

- 5.11 Provide details of the Information Technology ("IT") systems in use across the prescribed financial group and highlight whether



any of these systems are undergoing significant alterations, or are expected to be significantly altered in the near future.

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5.12 Provide details of any proposed external or intra-group outsourcing arrangements to support the operations of the prescribed financial group. These details shall include, at a minimum—

- (a) supplier identity and location (indicating whether the supplier is in any way connected to the prescribed financial group);
  - (b) the rationale for the outsourcing arrangement;
  - (c) details of the due diligence and selection process;
  - (d) business continuity plans, in the event the outsourced service provider experiences an adverse situation.
- 
- 
- 

5.13 Provide details of any proposed external or intra-group outsourcing arrangements to support the proposed operations of the applicant. These details shall include, at a minimum—

- (a) supplier identity and location (indicating whether the supplier is in any way connected to the applicant);
  - (b) the rationale for the outsourcing arrangements;
  - (c) details of the due diligence and selection process;
  - (d) business continuity plans in the event the outsourced service provider experiences an adverse situation.
- 
- 
- 

5.14 Attach copies of Service Level Agreements (SLAs) or other contractual arrangements for each outsourced activity, current or pending, across the prescribed financial group. Indicate the number of SLAs attached.

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Number of Service Level Agreements attached

- 5.15 Attach the outsourcing policies for members of the prescribed financial group and/or the prescribed financial group-wide outsourcing policy. Indicate the number of policies attached.

Number of outsourcing policies attached

- 5.16 Attach the business continuity plans and policies for members of the prescribed financial group or the prescribed financial group-wide plan and policy regarding business continuity. State the number of plans/policies attached.

Number of business policies/plans attached

6. CRISIS MANAGEMENT

- 6.1 Attach the Crisis Management Plan for the prescribed financial group which shall include—

- (a) all particulars regarding plans for the recovery and resolution of entities within the prescribed financial group, of which the applicant is, or will be the head.
- (b) a clear description of how early warning systems are integrated into the applicant's risk management framework to inform recovery efforts.
- (c) the range of recovery options, which correspond to various adverse situations which may affect the entities within the prescribed financial group (including capital and liquidity shortfalls).

Crisis Management Policy Attached Yes ☐ No ☐

- 6.2 In respect of the global group, are there existing recovery and resolution plans which extend to the operations across the prescribed financial group of which the applicant is or will be the head? Also indicate whether these plans have been approved by or shared with the foreign financial regulatory authority. If so, explain how the operations of the prescribed financial group of which the applicant is or will be the head, will fit into the global group's recovery efforts.

Notes 1: It should not be assumed that information is known to the Financial Services Commission because it is in the public domain

or has previously been disclosed to the Financial Services Commission or another regulatory body.

- 2: The provision of materially misleading or false information in an application for a licence under the Financial Services Commission Act can unfavourably impact the declarant's fitness and propriety.

I/We hereby apply for a prescribed holding company licence under section 14B of the Financial Services Commission Act for the abovementioned company to carry on the business described in this application.

I/We certify to the best of my/our knowledge and belief that all the information given in this application and contained in the supporting statements and documentation submitted is true and correct.

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Director

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Director

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
General Manager/Secretary

\_\_\_\_\_  
Date



*Prescribed Documents*

An application for a licence to operate as a prescribed holding company shall be accompanied by —

- (a) a strategic business plan for the next three years of operation of the prescribed holding company;
- (b) the names and addresses of all the directors and senior managers of the prescribed holding company and all the subsidiaries and associate companies in the prescribed financial group, of which the prescribed holding company is associated;
- (c) a list of all major shareholders who control at least ten percent of the shares in the individual companies in the prescribed financial group, of which the prescribed holding company is associated;
- (d) a document showing the ownership structure of the prescribed financial group and identifying the ultimate beneficial owner(s) of which the prescribed holding company is associated; and
- (e) a corporate organizational chart showing all the companies in a prescribed financial group including all sub-holding companies, subsidiaries and associate companies and their relationships to each other.



SEVENTH SCHEDULE (Section 14C(1)(a))

Form of Licence

THE FINANCIAL SERVICES COMMISSION ACT

Certificate of Licence for Prescribed Holding Company

(Pursuant to section 14C(1)(a) of the Financial Services  
Commission Act)

No. of Licence \_\_\_\_\_

The Licence authorises \_\_\_\_\_ of

\_\_\_\_\_ in the

parish of \_\_\_\_\_ to operate as a prescribed holding company

in accordance with the Financial Services Commission Act and Regulations  
made thereunder.

The licence is issued subject to the terms and conditions, if any, annexed hereto.

Signed: \_\_\_\_\_

Chairman, Financial Services Commission

Dated this \_\_\_\_\_ day of \_\_\_\_\_

This licence is not transferable.



39-43 Barbados Avenue  
P.O. BOX 325  
Kingston 5  
Jamaica, West Indies  
(976-1003-2)

FIT AND PROPER QUESTIONNAIRE FOR COVERED PERSONS,  
"CONNECTED PERSONS" (SHAREHOLDERS, OFFICERS,  
DIRECTORS, RESPONSIBLE OFFICERS AND REPRESENTATIVES)  
OF COMPANIES LICENSED OR APPLYING TO BE LICENSED AND  
REGISTERED UNDER THE FINANCIAL SERVICES  
COMMISSION ACT

## SECTION I

1. Name of company in connection with which this questionnaire is being completed:

\_\_\_\_\_

## SECTION II

2. Name (No Initials): \_\_\_\_\_

3. Other Names (Trade Names, Aliases): \_\_\_\_\_

4. Address (P.O. Box Number): \_\_\_\_\_

(Home): \_\_\_\_\_

(Business): \_\_\_\_\_

5. Occupation: \_\_\_\_\_

6. Taxpayer Registration No.: \_\_\_\_\_

7. Place of Birth: \_\_\_\_\_

8. Date of Birth: \_\_\_\_\_

Day

Month

Year

9. Nationality: \_\_\_\_\_

10. If naturalized citizen, indicate date of naturalization and Certificate No.: \_\_\_\_\_

11. If you are not Jamaican, complete the following:

Visa type and No.: \_\_\_\_\_

Passport type and No.: \_\_\_\_\_

Alien identification No.: \_\_\_\_\_

If you are exempt from holding a visa, explain:

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### SECTION III

12. Give details of your employment history up to the date of this questionnaire, including for each place of employment: details of the type of business, job title and the duties attached to the position, the dates of employment, the names and address of each employer, reasons for leaving and the name, position and telephone number of two references. (Please submit the above information in a resume format.)
13. Give details of educational and professional qualifications and affiliations, if any, including relevant dates:

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### SECTION IV

14. Have you at any time been charged with or convicted of any offence or otherwise found liable by a civil, criminal or military court (excluding minor road traffic offences) whether in Jamaica or elsewhere? If so, please give details of the charge, and if convicted, the date(s) of conviction and full particulars of the offence(s) and the penalty imposed:
15. Have you ever been required to give evidence in any trial or proceedings involving fraud, dishonesty or similar matters, whether in Jamaica or elsewhere other than as an expert witness?

If so, give particulars:

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16. Has suit ever been brought against you in your personal capacity or against any body corporate, partnership, society or any other business undertaking to which you are connected as a shareholder, partner, director or manager? If pending, please give full details of the circumstances, and if not pending, how was the matter resolved?

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17. Have you ever been refused entry to any profession or vocation whether in Jamaica or elsewhere?

If so, give particulars:

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18. Have you ever been the subject of investigation/disciplinary procedures, censured, disciplined or publicly criticised by any professional body to which you belong or have belonged whether in Jamaica or elsewhere? If so, give particulars:

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19. Have you ever been dismissed or requested to resign from any office or employment whether in Jamaica or elsewhere? If so, give particulars:

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20. Have you ever been censured, disciplined, publicly criticised, or made the subject of a court order whether in Jamaica or elsewhere at the instigation of:

- |     |                                                                                  |                                                          |
|-----|----------------------------------------------------------------------------------|----------------------------------------------------------|
| (a) | a regulator or foreign financial regulatory authority?                           | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (b) | an officially appointed enquiry? Or                                              | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (c) | any other established body concerned with the regulation of a relevant activity? | Yes <input type="checkbox"/> No <input type="checkbox"/> |



21. Have you ever been adjudged by a civil or criminal court as liable for any fraud, misfeasance or other misconduct in connection with the formation or management of any partnership, business undertaking or corporation, or towards any member or customer thereof, whether in Jamaica or elsewhere? If so, give particulars:

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22. Have you ever been disqualified by a Court or by virtue of any statutory enactment from being a director or from acting in the management or conduct of the affairs of any corporation or business undertaking whether in Jamaica or elsewhere? If so, give particulars:

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23. Has a bankruptcy petition ever been served on you, or any organization in which you were a shareholder or held the position of director or manager in any jurisdiction? If pending, give details of the circumstances and, if not pending, how was the matter resolved?

24. Have you ever, in any jurisdiction:

- |                                                                             |                                                          |
|-----------------------------------------------------------------------------|----------------------------------------------------------|
| (a) been adjudged bankrupt by a Court?                                      | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (b) had a receiving or administrative order made against you?               | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (c) had your estate sequestered?                                            | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (d) entered into any arrangement, or other composition with your creditors? | Yes <input type="checkbox"/> No <input type="checkbox"/> |

If yes, give particulars:

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#### SECTION V

25. Names and addresses of bankers (personal and business) over the past five (5) years:

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26. Has any bank, or other financial institution, with which you, or any business undertaking owned, controlled or managed by you, done business, ever threatened or commenced legal action/court proceedings or declined doing any new business with you or your undertaking as a result of outstanding debts owed by you or your undertaking, or due to you not honouring other facilities afforded you (e.g. guarantee, etc.) by these institutions? If so, state the dispute and the manner in which the issue was resolved?

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27. Have you, your company or your employer (past or present) previously dealt on a regular basis with any person carrying on a relevant activity, and to your knowledge any such person, at any time, indicated an unwillingness to effect further transactions with you, your company, business undertaking or your employer, by reason of an act or omission by you? If so, give particulars:

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28. Do you (in your personal capacity or through any entity controlled by you) and/or an immediate relative, have any outstanding loans or other forms of indebtedness in excess of J\$500,000.00? If so, state:

(a) From: \_\_\_\_\_

(b) Amount: \_\_\_\_\_

\_\_\_\_\_

(c) Maturity Date: \_\_\_\_\_  
Day Month Year

(d) Repayment status (i.e. current/up-to-date or level of arrears)  
(Note that information/details requested here relates to each facility outstanding).

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29. Has any person, firm, company or association guaranteed the indebtedness referred to in paragraph 28? If so, give particulars:

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30. Are you (in your personal capacity or through any entity controlled by you) and/or an immediate relative, presently guaranteeing the debts or obligations of any third parties in excess of J\$500,000.00 If so, give particulars:

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31. (a) Has any loan or credit facility (or part thereof) extended to you by any financial or lending institution, been restructured, renegotiated, provided against or been the subject of a write-off or debt forgiveness for reasons of non-payment by you? If so, please provide full details of the debt/s, the circumstances surrounding the action and the current status.

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- (b) Has any financial or lending institution (which has extended credit facilities to you), had to refer, assign or sell your loan/indebtedness to any private or public sector collection agency or any other institution for reasons of non-payment by you? If so, please provide full details of loan/s; date of transfer/assignment/sale; reason for actions taken and the current status.

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## SECTION VI

## BUSINESS AFFILIATIONS

32. List all companies, partnerships, societies, trust corporations, or other business undertakings in which you are involved in the management, or in which you are presently a director, partner, trustee, employee or owner (including banks and/or bank holding companies).

| Date or commencement | Name and Address | Type of Business | Position held and Duties |
|----------------------|------------------|------------------|--------------------------|
|                      |                  |                  |                          |
|                      |                  |                  |                          |
|                      |                  |                  |                          |

## SECTION VII

## AFFILIATION WITH OTHER BODIES CORPORATE

33. Are you currently or have you ever been a director of a limited liability company or society, or other business enterprise engaged in relevant activities? If so, state:

(a) Name and address of company/society/corporation:

\_\_\_\_\_  
\_\_\_\_\_

(b) Nature of Business: \_\_\_\_\_

(c) Date of Commencement of Directorship: \_\_\_\_\_  
Day Month Year

(d) Date of Cessation of Directorship: \_\_\_\_\_  
Day Month Year

(e) Reason/s for cessation of Directorship: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



- (f) Whether or not employed on a service contract (e.g. Managing Directorship) in any case:

\_\_\_\_\_

34. Have you ever been or are you currently a beneficial owner or shareholder (holding at least 5% of issued share capital) in any limited liability company or other corporation engaged in relevant activities? If so, state:

- (a) Name and Address of Companies/Societies/Corporations

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- (b) Nature of Business:

\_\_\_\_\_  
\_\_\_\_\_

- (c) Number of shares held and class:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- (d) Date of termination of shareholding: \_\_\_\_\_  
Day Month Year

- (e) Method of  
termination of  
shareholding:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

35. Are you a beneficial owner of any controlling interest in any body corporate, partnership, society or other business undertaking? If so, give particulars, including nature and address of business/partnership, etc.:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

36. Whether in Jamaica or elsewhere, have you ever been a shareholder, director of or directly concerned in the management of a bank, financial institution, or any other business undertaking:

- |     |                                                                                                                                                                                                                                                                                                                          |                                                          |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
| (a) | Which has been served with a petition to wind up?                                                                                                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (b) | Which has been wound up by a Court?                                                                                                                                                                                                                                                                                      | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (c) | The licence of which has been revoked?                                                                                                                                                                                                                                                                                   | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (d) | Which has been placed in receivership?                                                                                                                                                                                                                                                                                   | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (e) | Which has entered into any arrangement or other composition with its creditors?                                                                                                                                                                                                                                          | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (f) | Which has had an administrative order made against it?                                                                                                                                                                                                                                                                   | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (g) | Which has been sued?                                                                                                                                                                                                                                                                                                     | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (h) | Which has been censured by a person exercising supervisory or regulatory jurisdiction over the entity?                                                                                                                                                                                                                   | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (i) | Whose business has been adjudged to have been conducted imprudently or fraudulently?                                                                                                                                                                                                                                     | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (j) | Which has failed to meet the solvency requirements prescribed by law or by the licensing or supervisory authority?                                                                                                                                                                                                       | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (k) | To which financial assistance has been given by a government agency to effect a restructuring?                                                                                                                                                                                                                           | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| (l) | Which has been placed under temporary management/judicial management; which has been the subject of administrative censure or penalty; or formal statutory censure action or which has been the subject of a vesting order or any other intervention process by a regulator or a foreign financial regulatory authority? | Yes <input type="checkbox"/> No <input type="checkbox"/> |

If yes (to any of the above), give full particulars:

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37. Whether in Jamaica or elsewhere, have you ever been a shareholder, director, or have you been directly concerned in the management or conduct of the affairs of any body corporate, society, partnership or any other business undertaking, which has gone into liquidation, whilst you were associated with the entity or within two years of your association with the entity? If so, give details of the circumstances, including:

(a) Name of Company: \_\_\_\_\_

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(b) Name of Liquidator: \_\_\_\_\_

(c) Address of the Liquidator: \_\_\_\_\_

38. Whether in Jamaica or elsewhere, have you ever been concerned with the management or conduct of the affairs of any body corporate, partnership, society or any other business undertaking which, by reason of any matter relating to a time when you were so concerned, has been censured, disciplined or publicly criticised, intervened or subjected to administrative action by any:

(a) Regulator Yes ☐ No ☐

(b) Foreign financial regulatory authority Yes ☐ No ☐

(c) Officially appointed enquiry? Yes ☐ No ☐

(d) Other body concerned with regulation of a relevant activity? Yes ☐ No ☐

(e) Court? Yes ☐ No ☐

If so, give particulars:

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## SECTION VIII

## RELATIONSHIP TO THE LICENSEE/PROPOSED LICENSEE

39. Will you be actively engaged in the business of the applicant and will you devote the major portion of your time thereto? Yes ☐ No ☐
40. Indicate, by checking the applicable space and filling in the information required for subparagraphs (i), (ii) and (iii), the categories that apply to you:
- (i) a shareholder or proposed shareholder with beneficial ownership of 10 percent or more of any class of shares of the applicant: Yes ☐ No ☐  
Class of Shares \_\_\_\_\_  
Percentage of Shares \_\_\_\_\_  
(Note that where an application is being made for the acquisition of shares, specific details as to funding for the acquisition must also be supplied.)
- (ii) a director or proposed director of the applicant: Yes ☐ No ☐
- (iii) an officer or proposed officer of the applicant (please indicate your position): Yes ☐ No ☐
41. The date on which you became:
- (i) a shareholder: \_\_\_\_\_
- (ii) a director: \_\_\_\_\_
- (iii) an officer: \_\_\_\_\_
42. Are any shares of the applicant registered in your name or the name of an immediate relative? Yes ☐ No ☐  
If yes, provide each name in which the shares are registered, the relationship to you of any immediate relative and the class and number of shares held by each person:  
\_\_\_\_\_  
\_\_\_\_\_
43. Do you have a beneficial interest in any shares of the applicant that are not registered in your name or in the name of an immediate relative?  
Yes ☐ No ☐



If yes, please give particulars:

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44. Do you or an immediate relative hold any shares in the applicant as trustee or nominee? Yes ☐ No ☐

If yes, please give particulars:

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45. Are, or is it proposed that, any of the shares of the licensee mentioned in the answers to paragraphs 40, 42-44 be equitably or legally charged or pledged to any person (individual, corporation, partnership or business undertaking)? Yes ☐ No ☐

If yes, please give particulars:

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46. Indicate, by class of shares, the percentage of votes exercisable at any general meeting of the applicant, or any subsidiary of the applicant, that you and/or an immediate relative are entitled to exercise control:
- 
- 

I.....declare that the answers to the above questions are true.

Dated the \_\_\_\_\_ day of \_\_\_\_\_  
(date) (month) (year)

Signed by the said \_\_\_\_\_ )  
in the presence of: \_\_\_\_\_ )  
\_\_\_\_\_ )  
\_\_\_\_\_ )  
Justice of the Peace/Attorney-at-Law

PLEASE SUBMIT WITH THE FOLLOWING ATTACHMENTS:

1. Resume
2. Police record

Amendment  
of Insurance  
Act.

**16.—(1)** The Insurance Act is amended—

(a) in section 2(1)—

- (i) by inserting in the appropriate alphabetical sequence the following definition—

“prescribed financial group” has the meaning applied to it in section 2 of the Financial Services Commission Act;”, and

(b) in the definition of “control” by—

- (i) inserting immediately before the word “ownership” the words “legal or beneficial”;
- (ii) deleting the word “voting”.

(2) By inserting next after section 28 the following as section 28A—

“Commission  
may require  
information.

28A. The Commission may request from any company, or from all of the companies, within a prescribed financial group, any document that the Commission deems necessary for determining—

- (a) the effects of the operations of a prescribed financial group, or a company within a prescribed financial group, on the operations of an insurance company;
- (b) whether a member of a prescribed financial group is receiving direct or indirect financing or other benefits from an insurance company;
- (c) the risks relating to the operations of the members of a prescribed financial group

that could adversely affect an insurance company;

- (d) the risk management capabilities of a prescribed financial group as a whole to safeguard an insurance company; and
- (e) the adequacy of the internal control system within a prescribed financial group for scrutinizing the risk associated with transactions undertaken, or proposed to be undertaken, by a prescribed holding company or any other company within a prescribed financial group to minimize the risk of contagion to an insurance company.”.

**17. The Pensions (Superannuation Funds and Retirement Schemes) Act is amended —**

Amendment  
of Pensions  
(Super-  
annuation  
Funds and  
Retirement  
Schemes)  
Act.

- (a) in section 2 by inserting in the appropriate alphabetical sequence the following definition—

“prescribed financial group” has the meaning applied to it in section 2 of the Financial Services Commission Act;”;

- (b) by deleting the heading to Part III and substituting therefor the following as the heading—

“PART III.—*Request for Information and Investigations by the Commission*”; and

- (c) by deleting section 22 and substituting therefor the following—

“Commission may require financial statements and other information. 22.—(1) The Commission may, by notice, in writing, require an administrator, an investment manager, a sponsor or a trustee of a superannuation fund or a



retirement scheme to furnish the Commission with—

- (a) audited financial statements of the sponsor and consolidated financial statements of a prescribed financial group, where the sponsor is a member of a prescribed financial group;
- (b) the organisational chart of a prescribed financial group, where the sponsor is a member of a prescribed financial group;
- (c) the name and position of the beneficial shareholders, including the number of shares held and the percentage voting rights, where the sponsor is a member of a prescribed financial group; and
- (d) such other information as the Commission may specify, from time to time.

(2) The Commission may make a request for information pursuant to subsection (1) where—

- (a) the Commission deems a pension plan to be at risk of insolvency;
- (b) the valuations of the pension plan indicate that the plan is insolvent; or
- (c) the conditions that exist, warrant such a request.



(3) Where the Commission makes a request for information in accordance with this section, the Commission may also summon any officer, director or shareholder of any company, or a company within a prescribed financial group, for the purpose of obtaining information.

(4) The information that is obtained by the Commission in accordance with this section may be used by the Commission in the fulfilment of the supervisory functions of the Commission, in furtherance of an investigation instituted by the Commission or for any other purpose that the Commission deems necessary for the purpose of carrying out its functions.”.

**18.** Section 51A of the Securities Act is amended by deleting subsections (1) and (2) and substituting therefor the following—

Amendment  
of the  
Securities  
Act.

“ (1) A licensee shall not acquire or hold five percent or more of the shareholding in another licensee or an associated person of the other licensee unless the conditions specified in subsection (3) are met.

(2) An associated person of a licensee shall not acquire or hold five percent or more of the shareholding in a licensee or an associated person of that licensee unless the conditions specified in subsection (3) are met.”.

**19.** Section 2 of the Trust and Corporate Services Providers Act is amended in the definition of the term “immediate relative” by deleting—

Amendment  
of the Trust  
and  
Corporate  
Services  
Providers  
Act.

(a) in the second line the words “(including step-child)”; and

(b) in the third line the words “step-child”.

Amendment  
of the  
Financial  
Services  
Commission  
(Overseas  
Regulatory  
Authority)  
(Disclosure)  
Regulations,  
2005.

**20. The Financial Services Commission (Overseas Regulatory Authority) (Disclosure) Regulations, 2005, is amended—**

- (a) in the heading and in regulation 1 by deleting the words “Financial Services Commission (Overseas Regulatory Authority) (Disclosure) Regulations and substituting therefor the words “Financial Services Commission (Foreign Financial Regulatory Authority) (Disclosure) Regulations”;
- (b) by deleting, wherever they appear, the words “overseas regulatory authority” and substituting therefor the words “foreign financial regulatory authority”; and
- (c) by deleting wherever they appear, all cognate expressions of the words “overseas regulatory authority” and substituting therefor in each case, in the appropriate manner, expressions of the words “foreign financial regulatory authority”.