

CAYMAN ISLANDS



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**THE MONEY SERVICES LAW, 2000
(LAW 13 OF 2000)**

THE MONEY SERVICES BUSINESSES REGULATIONS, 2001

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ARRANGEMENT OF REGULATIONS

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CAYMAN ISLANDS

**THE MONEY SERVICES LAW, 2000
(LAW 13 OF 2000)**

THE MONEY SERVICES BUSINESSES REGULATIONS, 2001

The Governor in Council, in exercise of the powers conferred by section 29 of the Money Services Law, 2000, makes the following regulations -

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| 1. These regulations may be cited as the Money Services Businesses Regulations, 2001. | Citation |
| 2. In these regulations –
“bank” has the meaning assigned to it in the Banks and Trust Companies Law (2000 Second Revision); and
“section” means a section of the Money Services Law, 2000. | Definitions

(2000 Second Revision) |
| 3. The information and particulars to be contained in an application for a licence under section 5, and the details and things to accompany the application, are set out in the First Schedule. | Particulars to be contained in application
First Schedule |
| 4. A licence granted under section 5, shall be in the form set out in the Second Schedule. | Form of licence
Second Schedule |
| 5. The fees payable under the Money Services Law, 2000 are prescribed in the Third Schedule. | Fees
Third Schedule |

FIRST SCHEDULE

(Regulation 3)

**INFORMATION TO BE CONTAINED IN, AND TO ACCOMPANY,
AN APPLICATION FOR THE GRANT OF A LICENCE**

1. The name and address of the money services business in respect of which the licence is sought (hereinafter referred to as “the money services business”).

2. The name and address of the person (hereinafter referred to as "the applicant") applying to carry on the money services business.
3. The address of the principal office of the applicant and of its registered office if different.
4. If the applicant is a company, evidence of its incorporation in the Islands, or outside them, as the case may be, and a copy of the memorandum and articles of association, Act, statute, charter, partnership agreement or other instrument constituting and defining the constitution of the applicant verified by a declaration made by one of its directors or partners or its secretary.
5. The name and address of each person who -
 - (a) owns or controls the money services business;
 - (b) is a director or officer of the money services business;
 - (c) is an agent of the applicant; or
 - (d) otherwise participates in the conduct of the affairs of the money services business.
6. The name and address of any depository institution at which a transaction account is maintained for the purposes of the money services business.
7. Where appropriate, a statement in writing in a form acceptable to the Authority from the body responsible for the administration of the laws relating to money services businesses and the supervision of such businesses, in the country in which the applicant or its parent company is incorporated that such body is aware of the application.
8. If the applicant is a company -
 - (a) the full names, addresses and nationalities of each shareholder who holds more than five per cent of its share capital;
 - (b) the annual accounts for the two years immediately preceding the year of application of each shareholder which is a body corporate to which paragraph (a) applies, together with similar accounts for the parent body, if any, of each such body corporate;
 - (c) two or more references verifying the good financial standing of each shareholder who is a natural person to whom paragraph (a) applies;
 - (d) a list certified by its secretary containing the full names, addresses and nationalities of its directors, managers and officers;
 - (e) two character references for each of the persons referred to in paragraph (d) and, for each such person, a police or other certificate satisfactory to the Authority that the person has not

- been convicted of a serious crime or any offence involving dishonesty;
- (f) evidence acceptable to the Authority of the availability to the applicant at all times of adequate professional knowledge of, and experience in, the money services business and the names of at least two of its directors actively engaged in the money services business of the applicant, one of whom shall possess sound professional knowledge of, and experience in, money services business;
 - (g) the name and address of its proposed auditor;
 - (h) a statement giving the date for the drawing up of the annual accounts of the applicant;
 - (i) confirmation in writing under the hand of the presiding officer of the applicant and the presiding officer of its parent body, if any, that they concur in the making of the application;
 - (j) a statement in writing in a form acceptable to the Authority accepting legal responsibility for the obligations and liabilities of the applicant executed by and binding on the parent company, if any, of the applicant;
 - (k) three business references of which at least one shall be from a bank;
 - (l) a detailed business plan, containing details of the current money services business activities, if any, of the applicant and its proposed activities if the licence applied for is granted, including -
 - (i) the reasons for wishing to obtain the licence sought;
 - (ii) the business aims of the applicant in respect of the money services business and its potential client base;
 - (iii) a detailed statement setting out its proposed initial assets and its proposed assets and expected liabilities at the end of each of the two years next succeeding the date of such grant together with an estimate of expected income;
 - (iv) particulars of its management structure and personnel;
 - (v) the names and addresses of the registered offices of all subsidiary companies of the applicant together with a statement as to how much of the capital of each such company constitutes an asset of the applicant;
 - (vi) a chart showing the relationship to its subsidiaries and affiliates and any holding company; and
 - (vii) a brief description of each of its subsidiaries and affiliates; and
 - (m) details of the applicant's proposals for establishing and maintaining, in respect of the money services business, systems of control and systems of inspection and report, if the licence applied for is granted; and

- (n) in the case of a company incorporated outside the Islands, the name and address of the supervisory authority or regulatory authority responsible for the supervision of each of the applicant's agents operating outside the Islands.

SECOND SCHEDULE

FORM OF LICENCE (Regulation 4)

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L I C E N C E

No.

.....is hereby licensed under the Money Services Law, 2000, to carry on money services business within the Islands under the said Law, subject to the following conditions -

The Licensee shall forthwith notify the Cayman Islands Monetary Authority of any change in the information supplied in the application for this Licence.

.....

Granted this day of , , at George Town on the Island of
Grand Cayman.

Cayman Islands Monetary Authority

THIRD SCHEDULE

(Regulation 5)

FEES

Application fee under section 5(4)	\$1,000.00
Annual fee under section 5(9)	\$3,500.00

Made in Council the 23rd day of January, 2001.

Carmena Watler

Clerk of Executive Council.