

TURKS AND CAICOS ISLANDS FINANCIAL SERVICES COMMISSION



STATUTORY AND REGULATORY FILING REQUIREMENTS FOR LICENSED BANKS

1. This guidance is issued by the Turks and Caicos Islands Financial Services Commission (“TCIFSC” or “Commission”), pursuant to section 43 of the Financial Services Commission Ordinance 2007 (the Ordinance).
2. This guidance is to be used by banks as a guide for filing and reporting to the Commission.
3. Banks that have been specifically requested by the Commission to report under a different schedule and/or format than shown below, should continue to follow those specific arrangements.
4. All reports are to be submitted within the stipulated deadlines. Should the due dates fall on a weekend or holiday, licensees are required to submit on the last business day before the due date.
5. Any foreseeable difficulty in meeting the required deadlines should be reported to the Commission’s Bank and Trust Department, at TheBankingDepartment@tcifsc.tc. Extensions must be requested prior to the stipulated deadline, to be considered.
6. Failing to meet filing and/or reporting deadlines is subject to enforcement and/or disciplinary action.
7. Banks should follow the Legislation, Guidelines, Regulatory Advisories, and letters, and should not rely solely on this document to ensure compliance, as failing to comply with any legislative/regulatory requirement, whether listed here or not, may be subject to disciplinary/enforcement action.
8. Application and cover letters must be signed by authorised personnel¹ of the bank.

¹Apart from the Commission’s approved Chief Executive Officer or Managing Director, banks are to officially advise the Commission of its list of personnel permitted to represent the bank for filing and application purposes.

ROUTINE SUBMISSIONS/FILINGS			
No.	NAME OF REPORT/ RETURN	TIMEFRAME FOR SUBMISSION/FILING	STATUTORY/ REGULATORY / GUIDANCE REFERENCES
MONTHLY			
1.	Banking Supervisory Return (BSR)-1	Twenty-one (21) days following the end of each month, except at the end of calendar quarters then it is 28 days following the end of each quarter.	The Banking Ordinance, Section 29(1)(a) & (b) and schedule 1 (2): 16.02 Banking Ordinance
2.	Liquidity Analysis Returns (BSSR 12)	Twenty-one (21) days following the end of each month.	Guideline on liquidity requirements for licensed banks in TCI- Revised Banking Institutions: Principles for Liquidity Risk Management
QUARTERLY²			
3.	Banking Supervisory Supplementary Return (BSSR) ³	Twenty-eight (28) days following the end of each quarter.	The Banking Ordinance, Section 29(1)(a) & (b) and schedule 1(3): 16.02 Banking Ordinance
4.	Compliance Reports	Quarterly – One (1) month following the end of the quarter.	AML/PTF Guidance Notes – 2018 (Section xv - Policies, procedures, systems, and controls) Anti-Money Laundering and Prevention of Terrorist Financing Code (Guidance: Policies, procedures, systems and controls: Section xv) See FSC's letter of 31 December 2019 re: Compliance Reports.

²Quarterly submissions are as per calendar quarters.

³This includes submission of BSSRs 1 – 11.

5.	Liquidity Stress Test Reports	Twenty-eight (28) days following the end of each quarter.	This requirement is specific to banks that have been requested by the Commission to report.
HALF YEARLY			
6.	Schedule of Domestic Banks' Rates and Charges	Semi-annually – 5 weeks following end of June and December.	As per template and guidance provided by the Commission's Policy Unit
ANNUALLY			
7.	The complete Audited Financial Statements along with the auditor's opinion (signed by management and the auditors).	Three (3) months following end of financial year. That is, the last day of the third month following the financial year end.	The Banking Ordinance, Section 30(1) & Section 31: 16.02 Banking Ordinance Guideline for the Appointment of External Auditors and Conduct of External Audits
8.	Audited balance sheet and profit and loss statement for publication.	Three (3) months following end of financial year: i. To be published in the National Gazette ii. Display (Conspicuously) in the licensee's offices. iii. File with the Commission	The Banking Ordinance, Section 30(1) 16.02 Banking Ordinance
9	Credit Portfolio Review Summary (BSSR 13)	Three (3) months following end of financial year.	Guideline-for-Banks-on-Credit-Risk-Assessment-Classification-and-Provisioning-Revised.pdf (tcifsc.tc) https://tcifsc.tc/wp-content/uploads/2023/04/Regulatory-Advisory-4-of-2023-re-Amendment-to-Guideline-March-3-2023.pdf
10	External Auditor's statement of attestation	Four (4) months following end of financial year.	Guideline-for-Banks-on-Credit-Risk-Assessment-Classification-and-Provisioning-Revised.pdf (tcifsc.tc) (Section 20.1)
	External Auditor's Management Letter	Four months after the end of the financial year.	Guideline for the Appointment of External Auditors and Conduct of External Audits (Section 7.3)

11			Circular Letter: Reporting-Requirements-Management-letter-and-internal-audits.pdf (tcifsc.tc)
12	Conduct internal audits and file the Internal Audit Reports	Frequency should be based on the risk profile, scale and complexity of the licensee, but at minimum annually.	Internal Control and Audit Guideline Guideline for Minimum Requirements on Internal Audits of Banks & Trust Companies
PRIOR APPROVALS REQUIREMENTS (statutory/regulatory matters for which an application is required)			
APPLICATION TYPE		MINIMUM REQUIREMENTS	STATUTORY/ REGULATORY REFERENCE/SOURCE DOCUMENT
13	Establishment of new branch or subsidiary	<ul style="list-style-type: none"> i. Application letter of request with rationale. ii. Board of Directors' Resolution. iii. Due diligence of each new director, manager, and senior officer of the new operation. iv. A detailed list of all business activities to be undertaken by the branch or subsidiary. v. Financial business risk assessment, economic viability assessment and projections. vi. Details on any variation from the parent company's policies/procedures. vii. Details on any parent/hub support, reporting lines/mandate etc. 	https://tcifsc.tc/wp-content/uploads/2023/06/Fit-and-Proper-Guidelines-for-Financial-Institutions-June-2023.pdf Personal-Declaration-Questionnaire-revised.pdf (tcifsc.tc)

		<ul style="list-style-type: none"> viii. Updated/revised AML/CFT business risk assessment, identifying the ML/TF risks and the methodology/policies/systems to mitigate and manage the risks in the new or expanded operation. ix. Updated/revised AML/CFT policies and procedures to take account of the new/expanded operation. x. Location of the new operation. xi. Any other information that may be requested. 	
14	<p>Change of ownership/ Beneficial Owners and/or Shareholders.</p> <p>Issue, disposal and/or purchase of shares.</p>	<ul style="list-style-type: none"> i. Application letter of request with rationale from the senior executive from the licensee. ii. Board of Directors' Resolution. iii. Purchase Agreement between the current owner and the proposed owner. iv. Description of the number and type of shares to be acquired or disposed. v. Names of the new owners, their percentage of ownership. vi. Proposed new beneficial owners' sources of their funding/wealth, which may include personal financial statements. vii. Annual reports/audited financial statements of proposed new owners for the most recent three consecutive years. 	<p><i>The Banking Regulations, (10&11)</i> <i>16.02 Banking Ordinance</i></p> <p>https://tcifsc.tc/np-content/uploads/2021/10/15-of-2021-Banking-Amendment-Ordinance-2021.pdf</p> <p>https://tcifsc.tc/np-content/uploads/2023/06/Fit-and-Proper-Guidelines-for-Financial-Institutions-June-2023.pdf</p> <p>Personal-Declaration-Questionnaire-revised.pdf (tcifsc.tc)</p> <p>https://tcifsc.tc/np-content/uploads/2019/02/Application-for-Approval-of-Changes-of-Shareholders-Directors-and-Officers-1.pdf</p> <p>https://tcifsc.tc/np-content/uploads/2023/08/Regulatory-Advisory-5-of-2023-Treatment-of-Minors.pdf</p>

		<ul style="list-style-type: none"> viii. Group chart showing the structure of the shareholding of each applicant in accordance to voting rights, shares and/or other controlling interest. ix. Business and restructure plan (where relevant) x. Completed personal declaration questionnaire with supporting documents for each beneficial owner, subject to the Ordinance's definition. 	https://tcifsc.tc/wp-content/uploads/2023/07/Regulatory-Advisory-Convictions-or-Judgments-Against-and-Applicant-vfinal.pdf
15	New Products/Services	<ul style="list-style-type: none"> i. Letter of request with rationale. ii. Detailed description of proposed product offering(s). iii. Updated ML/TF risk assessment, incorporating the new products. iv. Revised business plan outlining expanded activities. v. Submission of a 3-year financial projection on new product offerings. vi. Board of Directors' Resolution. 	<i>The Banking Ordinance, Section 4 (4b)</i> 16.02 Banking Ordinance
16	Appointment and/or change of Directors and Senior Management	<ul style="list-style-type: none"> i. Letter of application for change with rationale. ii. Board of Directors' Resolution approving the change. 	<i>The Banking Regulations, Section 9</i> 16.02 Banking Ordinance 16.02 Banking Ordinance/Regulations (Section 12)

		<p>iii. Completed personal declaration questionnaire with supporting documents.</p> <p>Refer to the Fit and Proper Guidelines for additional details on the requirements.</p>	<p>https://tcifsc.tc/wp-content/uploads/2021/10/15-of-2021-Banking-Amendment-Ordinance-2021.pdf</p> <p>https://tcifsc.tc/wp-content/uploads/2023/06/Fit-and-Proper-Guidelines-for-Financial-Institutions-June-2023.pdf</p> <p>Personal-Declaration-Questionnaire-revised.pdf (tcifsc.tc)</p> <p>https://tcifsc.tc/wp-content/uploads/2019/02/Application-for-Approval-of-Changes-of-Shareholders-Directors-and-Officers-1.pdf</p> <p>https://tcifsc.tc/wp-content/uploads/2023/07/Regulatory-Advisory-Convictions-or-Judgments-Against-and-Applicant-vfinal.pdf</p>
17	Change/appointment of External Auditor	<p>i. Cover letter with rationale for the change.</p> <p>ii. Board of Directors' Resolution.</p> <p>iii. Completed Application for Approval of External Auditor.</p> <p>iv. Letter of undertaking from Auditors.</p> <p>v. Letter/certificate of good standing from professional accounting body and/or association for the audit firm and/or assigned partner(s).</p>	<p><i>The Banking Regulations, Sections (9 & 13) 16.02 Banking Ordinance</i></p> <p><i>Guideline for the Appointment of External Auditors and Conduct of External Audits (Section 5. ii)</i></p>

		<ul style="list-style-type: none"> vi. Evidence of professional qualifications of the partners vii. Engagement letter. viii. Copy of business license and certificate of registration as a DNFBP. <p>NB: Information on auditors to be updated every five years.</p>	
18	Appointment/change of Compliance Officer (CO)/Money Laundering Compliance Officer (MLCO)/Money Laundering Reporting Officer (MLRO)	<ul style="list-style-type: none"> i. Cover letter with rationale. ii. Completed application for the approval of the appointment of the CO/MLCO/MLRO. iii. Completed personal declaration for the prospective CO/MLCO/MLRO, with supporting documents. iv. Notify the Commission within seven (7) days when an individual ceases to be CO/MLCO/MLRO. <p>Refer to guidelines, for additional details on the requirements.</p>	<p><u>Anti-Money Laundering and Prevention of Terrorist Financing Regulations 2010 (Section 21.1 & Section 22.1)</u></p> <p><u>https://tcifsc.tc/wp-content/uploads/2023/06/Fit-and-Proper-Guidelines-for-Financial-Institutions-June-2023.pdf</u></p> <p><u>Guideline-For-Appointment-Of-Cos-And-Mlros-Amended-January-19-2015.Pdf (Tcifsc.Tc)</u> <u>application-for-the-appointment-of-co-mlco-and-mlros.pdf (tcifsc.tc)</u></p> <p><u>Personal-Declaration-Form-for-Co-MLCO-MLRO.pdf (tcifsc.tc)</u></p> <p><u>Regulatory-Advisory-2-of-2023-MLRO-and-MLCO.pdf (tcifsc.tc)</u></p> <p><u>Regulatory Advisory 3 of 2023 - Regulatory-Advisory-Convictions-or-Judgments-Against-and-Applicant-vfinal.pdf</u></p>

19	Large Credit Exposures - Credit exposures exceeding 25% of paid-up capital and/or assigned capital.	Completed application in the prescribed format.	<p><i>Banking-Ordinance, Section 21(1) & 24(1) Banking (Capital) Regulations; Section 13 & 14; 16.02 Banking Ordinance</i></p> <p><i>guideline-on-large-exposures-and-credit-risk-concentration-for-banks.pdf (tcifsc.tc)</i></p> <p><i>Regulatory Advisory 2 of 2016 Large Exposures.pdf (tcifsc.tc)</i></p> <p><i>Regulatory Advisory 2 of 2017 – Widening of Exemptions for large Exposures for Banks</i></p> <p><i>Instruction for Reporting Large Exposure and Credit Risk Concentration for Banks</i></p> <p><i>Instructions-for-the-Credit-Risk-Concentration-Template-BSSR-1-Revised.pdf (tcifsc.tc)</i></p>
20	Change to Share Capital/ Statutory Reserves	<ul style="list-style-type: none"> i. Letter of request with rationale for change. ii. Board of Directors Resolution. iii. Capital Plan iv. Analysis of the expected change in the capital adequacy ratio. v. Analysis of the impact on current large exposures and unsecured exposures. <p>Also see section on change to shareholders, where relevant</p>	<p><i>The Banking Regulations, Section 10 16.02 Banking Ordinance</i></p> <p>Regulatory Advisory No. 5 of 2020 – Failure To Obtain Approval For Corporate Changes. https://tcifsc.tc/wp-content/uploads/2020/09/Regulatory-Advisory-No-5-of-2020.pdf</p>

21	Change in Financial Year-End	<ul style="list-style-type: none"> i. Cover letter with rationale for the change and the effective date of the change. ii. Information on possible impact on audit accounts and any other matter. iii. Board of Directors' resolution approving the change. 	<p><i>The Banking Ordinance, Section 4 (4b)</i> 16.02 Banking Ordinance</p>
22	Requests for Filing Extensions	Application to be made at least seven working days before the due date, a letter of request with rationale for the extension. Letter must be signed by Senior Management.	<p><i>The Banking Ordinance, Section 29 (4)</i> 16.02 Banking Ordinance</p>
23	Change of Physical Address/Registered Office	<ul style="list-style-type: none"> i. Cover letter with rationale for the change. ii. Board of Directors' Resolution approving the change in physical address and/or registered office. iii. Images of the interior, exterior and surrounding environment of the proposed location. iv. A description of the main security measures in place at the location. 	<p><i>The Banking Ordinance, Section 4 (4b)</i> 16.02 Banking Ordinance Regulatory-Advisory-2-of-2018.pdf (tcifsc.tc) – <i>Management, Governance and Operational Changes</i></p>
24	Outsourcing Functions/Requests	<ul style="list-style-type: none"> i. Cover letter with rationale. ii. Completed Application for the Outsourcing Arrangement, confirming compliance with the requirements in the regulatory advisory. 	<p>Regulatory-Advisory-No.-2-of-2021-Outsourcing-Functions-and-Activities.pdf (tcifsc.tc)</p>
25	Change in Operating Hours	<ul style="list-style-type: none"> i. Letter of request with rationale. ii. In emergencies an email or phone call are acceptable. 	<p>Regulatory-Advisory-No-1-of-2023-Bank-closure-during-national-disasters.pdf (tcifsc.tc) Regulatory-Advisory-1-of-2022-re-Banks-Opening-Hours- Feb-8-2022.pdf (tcifsc.tc)</p>

26	Voluntary licence revocation	<ul style="list-style-type: none"> i. Cover letter from licensee to the Commission of its intention to voluntary liquidate the business. ii. Make an official request/application, with rationale subject to Section 34(1)(c) of the Financial Services Commission Ordinance for the voluntary revocation of the license. iii. Board resolution. iv. A board approved plan on how the entity intends to cease the operation to ensure clients are not impacted. v. Declaration of solvency as per Section 236(1)(a) of the Companies Ordinance. vi. Application for the appointment of a liquidator. <p>On approval of the liquidator:</p> <ul style="list-style-type: none"> i. The liquidator’s plan as per Companies Ordinance (<i>Section 236 (1)(b)</i>). ii. The liquidator’s reports until complete dissolution. iii. Surrender of original licence certificate. <p>On completion of the liquidation:</p> <p>The liquidator and/or auditor’s confirmation / audited financial statements showing that the assets and liabilities have been transferred and/or settled for the licensed activities.</p>	<p>https://tcifsc.tc/wp-content/uploads/2020/01/Companies-Ordinance-2017-Reprint-1.pdf Part XV</p> <p>https://tcifsc.tc/wp-content/uploads/2019/05/Insolvency-Ordinance-2017.pdf (where applicable)</p> <p>https://tcifsc.tc/wp-content/uploads/2019/03/16.01-financial-services-commission-ordinance.pdf Section 34(1)</p>
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		Where additional information is required, the Commission will advise.	
NOTIFICATIONS (requirements to notify the Commission on occurrence)			
NOTIFICATION TYPE		TIMEFRAME FOR NOTIFICATION	STATUTORY/ REGULATORY REFERENCE/SOURCE DOCUMENT
27	Name Change	<ul style="list-style-type: none"> i. Letter of notification prior to effecting the change. ii. Board of Directors' Resolution. iii. Companies Registry Certificate of Name Change on receipt. <p>Return of the old licence certificate, for replacement.</p>	<i>The Banking Ordinance, Section 4 (4a)</i> <u>16.02 Banking Ordinance</u>
28	Change of External Auditors	Notification of proposed change within 14 days of making the change.	<u>16.02 Banking Ordinance/Regulations (Section 13)</u> <u>Guideline for the Appointment of External Auditors and Conduct of External Audits</u>
29	Duty to report detrimental conduct.	Within five (5) working days on occurrence.	<u>16.02 Banking Ordinance/Regulations (Section 8)</u> <u>Operational Risk Guideline</u>

30	Significant policy and procedural changes	Within 14 days of the change.	<i>The Banking Ordinance, Section 4 (4b)</i> <u>Banking Ordinance.</u> <u>Regulatory-Advisory-2-of-2018.pdf (tcifsc.tc)</u> – <i>Management, Governance and Operational Changes</i>
31	Significant operational changes	Notification of change within 14 days of making the change.	<u>Regulatory-Advisory-2-of-2018.pdf (tcifsc.tc)</u> – <i>Management, Governance and Operational Changes</i> <u>Operational Risk Guideline</u>
32	Business strategy with updated business plan	Minimum every five years or on update and before publication, whichever is sooner.	<i>The Banking Ordinance, Section 4 (4b)</i> <u>16.02 Banking Ordinance</u>
33	Fraud incidents and other significant operational disruptions	For those considered detrimental and have significant operational and/or reputational risk, within five working days of occurrence.	<u>Operational Risk Guideline</u>
34	Dividend Payments and funds transfer to Head Office	Within seven working days of occurrence.	

June 2024