



TURKS AND CAICOS ISLANDS FINANCIAL SERVICES COMMISSION

Regulating with Honesty, Integrity and Transparency

3rd September 2020

REGULATORY ADVISORY NO 6 OF 2020

MTO- FAILURE TO OBTAIN APPROVAL FOR CORPORATE CHANGES

All entities licensed by the Financial Services Commission (the Commission) under the Money Transmitters Ordinance (MTO) are required to obtain the Commission's prior approval of planned corporate changes, pursuant to section 17 of the MTO.

Corporate changes include *inter alia*:

- i) Appointment of any director, senior officer, or auditor
- ii) Transfer or disposal of shares in any manner
- iii) Issuance of shares
- iv) Redemption of shares, and/or
- v) Changes in classes of share and/or rights of share

Please be advised that failure to obtain required prior regulatory approval for the above corporate changes are compliance failures and are contraventions of the above stated legislation.

Please be advised that **effective 1 October 2020**, the Commission will consistently take enforcement action against licensees for failure to comply with the above approval process. Enforcement action will be taken pursuant to section 33 of the Financial Services Commission Ordinance (FSCO) and/or disciplinary action will be taken pursuant to section 45 of the FSCO. In the event of disciplinary action, the maximum penalty is \$5,000.00.

Licensees are strongly encouraged to establish appropriate controls and operating protocols to fully comply with the above approval process.

This advisory will apply to all compliance failures after 30 September 2020.

Please be advised and guided accordingly.

Yours sincerely

**Turks and Caicos Islands
Financial Services Commission**

Niguel Streete
Managing Director