



TURKS AND CAICOS ISLANDS FINANCIAL SERVICES COMMISSION

Regulating with Honesty, Integrity and Transparency

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REGULATORY ADVISORY NO. 4 OF 2021

GUIDANCE FOR THE PREPARATION OF A BUSINESS PLAN IN CONNECTION WITH A NEW OR RENEWAL OF A COMPANY MANAGER OR AGENT LICENCE

An applicant for a license to conduct business as a company manager or agent, whether a first-time application or a renewal application, is required to submit a business plan in accordance with sections 5(d), 8(b) and 10(2) of the Company Management Licensing Ordinance. In the case of renewal applications, company managers and agents are required to submit a business plan every three years in accordance with the requirements set out below.

The scope and complexity of the business plan will vary depending on the scale and complexity of the proposed business. This advisory summarises the issues that should be addressed in the business plan. It also sets out the related documents which may be necessary to support the information included in the business plan.

The areas summarised in this document are not intended to be exhaustive. The applicant is encouraged to consider what is likely to be relevant to the Commission's assessment of its application, considering the nature of the applicant's proposed activities and the arrangements for the operation of the business.

Requirements for all applicants

- i) Aim and objectives of the applicant, including the rationale for entering the chosen business area.
- ii) List of the products and services offered or to be offered.
- iii) The target market which the applicant serves or intends to serve, and how clients are or will be sourced. Include –
 - a) the marketing strategy and the marketing methods to be used;
 - b) details of the markets to be targeted, including the type of client and geographical areas; and
 - c) an analysis of the industry, sector or market being entered, the perceived opportunities and the applicant's competitive strengths.
- iv) The amount of money laundering, terrorist financing (ML/TF) risk that the applicant is willing to accept from its customers ("risk appetite") – e.g., countries, products and customers that are prohibited because the applicant has considered them too risky.
- v) Corporate governance, risk management and internal controls. Include –



- a) a summary of the governance structure, including the board and any committees, including the personnel to be appointed to the committees;
 - b) a summary of the risk management procedures and the internal controls, including with respect to the detection and prevention of money laundering, terrorist financing and proliferation financing, the reporting arrangements, both internally and to the Commission; and
 - c) details of the information systems used, or to be used, by the applicant and how they are supported.
- vi) Financial projections (balance sheet, profit and loss statement and cash-flow) for a period of at least three years, including the rationales and assumptions in support of the projections.
 - vii) Financial Year End
 - viii) Details of any outsourcing arrangements and how the applicant will monitor and oversee these, including the controls implemented by the applicant for these arrangements. Include –
 - the rationale for any outsourcing arrangements with third parties or other group companies, and copies of the agreements in respect of these outsourcing arrangements. Please refer to the Commission’s Regulatory Advisory No. 2 of 2021 on outsourcing.
 - ix) Ownership
 - a) Include an ownership structure chart indicating the ultimate beneficial owners, parents, subsidiaries and affiliates; and their percentage shareholding.
 - x) Staffing resources
 - a) Include management structure particulars, such as, resident manager, organisational structure, reporting lines, experience and expertise of staff, professional qualifications.
 - xi) The location of the premises from which the applicant operates or will operate.

To support the business plan, copies of key agreements, relevant to the operation of the business, should be included. Relevant agreements include service level agreements, management and administration agreements, client agreements or terms of business.

During the processing of the application, the Commission may ask the applicant to provide additional information or clarification to information already provided.

Please be guided accordingly.

Niguel Streete
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