



## **FINANCIAL SERVICES REGULATORY AUTHORITY**

**Date:** March 24, 2023

**To:** All Registered Agents

**Re:** Financial services business provided by International Business Companies

This serves as a formal notice to all Registered Agents and International Business Companies. It has been brought to our attention that several International Business Companies (IBCs) may be providing financial services related business that currently fall outside of the legislative framework of Saint Lucia, e.g. Forex trading and brokerage activities. The International Business Companies Act, Cap. 12.14 of the revised laws of Saint Lucia, currently requires prior consent to be obtained from the Financial Services Regulatory Authority (FRSA/ Authority) for the incorporation of an IBC wishing to engage in international banking business, insurance business and mutual fund business. However, the existing legislation is silent regarding the process of incorporation when an IBC is seeking to engage in other financial services business, such as money services business, securities business, etc.

Notwithstanding this apparent lacuna in the law, the Authority submits that in order to protect the reputation of Saint Lucia, we must monitor all forms of financial services related activities. We also advise that should an IBC wish to engage in money services business, securities business or virtual asset business, in or outside Saint Lucia, the requisite licence must be obtained from the FSRA or the Eastern Caribbean Securities


Regulatory Commission or provide evidence that it has satisfied the licensing requirements in the jurisdiction where it intends to conduct day to day business.

The FSRA reminds Registered Agents of the Code of Conduct which sets out standards of conduct and professional ethics governing the relationships with their clients. In addition, Registered Agents should continue to apply sound Anti-Money Laundering / Counter Financing of Terrorism practices in ensuring that adequate screening measures and appropriate due diligence measures are utilised as required under the MLPA. As a result, before incorporation, Registered Agents should obtain a business Plan from the promoters of the proposed company clearly stating the activities to be undertaken and to obtain full due diligence documentation on the Ultimate Beneficial Owners (UBOs), Shareholders and Directors. In addition, it is fully expected that the IBC would obtain the appropriate licence/authorization to conduct such business in the jurisdiction where the activity occurs, notwithstanding being incorporated in St. Lucia.

We advise that should, an IBC currently engaged in providing financial services without the requisite licence/registration, guidance must be sought from the FSRA in order to continue conducting business.

Failure to adhere to these requirements will result in the application of sanctions against Registered Agents and/or IBCs in accordance with laws of Saint Lucia.

Yours sincerely,



**Nathalie Dusauzay**  
**Executive Director**