

# Applying for a licence/registration

An entity or individual intending to carry on non-bank financial services business in, or from within, Barbados is required to have the relevant regulatory permissions from the Financial Services Commission (Commission) in order to do so.

You require a licence or certificate of registration if you intend to operate as:

- a credit union
- an insurance company
- an insurance intermediary (agent, broker, salesman, sub-agent, loss assessor, insurance surveyor)
- a holding company (insurance),
- an insurance management company
- an association of underwriters
  
- a mutual fund
- a mutual fund Administration/Manager
  
- a securities market actor (broker, trader, investment adviser, underwriter, securities company)
- a stock exchange
- a central securities depository
  
- an occupational pension plan

You will also be required to register if you:

- propose to issue securities to the public i.e. issuer/reporting issuer

## The application process

### 1. Pre-application engagement

The Commission facilitates discussions and meetings with prospective applicants regarding their proposed application and operations and provides feedback regarding completion of the application process. This is undertaken prior to the submission of a formal application and is particularly useful for persons introducing new types of products or services to the market.

### 2. Submission of a formal application package

The applicant submits a complete application package including fees for review and consideration.

### 3. Review and processing of the formal application

At this stage, the application is assessed in depth. Further engagement with the applicant may be necessary regarding any additional information required to determine the applicant's suitability for a licence or registration.

### 4. Return of a decision

At the conclusion of the review process a decision is communicated to the applicant in writing. A licence or certificate of registration is issued to a successful applicant once the initial licence/registration fee has been remitted.

Where after the licensing of an entity any change takes place in the particulars specified in the application of the company or in the particulars of the information or documents required to accompany the application, it is important that the entity provide prompt notification to the Commission of the change.

Additional information on the process and requirements for a specific type of licence or registration is provided under sector specific licensing and registration requirements.

## Timeframes

The Commission will seek to provide a decision on an application for a corporate body in a timely manner.

The Commission will generally seek to complete processing of an application for registration or a licence within 2 to 4 weeks of receiving a complete application. The complexity of the application will generally influence the timeframe.

In considering an application, the Commission's two key regulatory principles of consumer protection and systemic risks are assessed. The factors taken into consideration include, but are not limited to:

- i. the applicant's target market e.g. whether the consumers or investors are sophisticated persons
- ii. the level of interconnectivity that the applicant has or will have with other Barbadian financial institutions.

Applications that have low consumer protection and systemic risk issues are deemed "low risk" and would be considered through a rapid approvals process.

## Complete Application Submissions

A fully completed application package facilitates the timely processing of an application and expedites the return of a decision. Processing of an application will not commence where an application package is incomplete. Substantively incomplete application packages will be returned.

### Application packages

Application packages will vary depending on the type of regulatory permissions that are required.

**Application form:** An application form that is fully completed, signed by the appropriate or requisite persons with authority to make the application on behalf of the applicant, and dated must be submitted.

#### **Electronic submission**

The application package together with a cover letter providing the contact information for the individual with whom the Commission should liaise regarding the application should be submitted electronically<sup>1</sup>.

#### **Contents of package**

A complete application package consists an application/registration form, supporting documentation and the application fee.

Information on application package requirements for specific types of entities may be found under sector specific application package content documentation.

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<sup>1</sup> Via the Commission's electronic submissions facility. More information on the facility may be found on the website.

## Application fees

Application fees are non-refundable and must be remitted at the time of the application submission. In the absence of the relevant application fees processing will not be undertaken.

Refer to the Fee Schedule for the applicable sector for additional information on application and other fees.

## Criteria

A successful applicant must demonstrate that it meets the criteria for a licence or registration. The following broadly describes the minimum criteria<sup>2</sup> and is not exhaustive:

- **Ownership:** a transparent ownership structure
- **Fitness and propriety:** of beneficial owners/shareholders, executive officers, senior staff and other key persons such as authorized representatives
- **Suitability & Resources:** suitable experience and a favourable track record in business equivalent to that to be conducted as well as experienced staff.
- **Capital adequacy:** ability to meet capital and or solvency requirements
- **Risk management:** having the policies, procedures and internal controls needed to mitigate against the risks to which the business will be subject
- **Legislative requirements:** applicants are expected to demonstrate that they meet the requirements outlined in the relevant legislation

## Regulatory checks

Part of the Commission's fit and proper assessment process may include requesting information from other regulators about the regulatory history of

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<sup>2</sup> For financial institutions

the applicant, its parent, ultimate beneficial owners, directors and other relevant persons.

## Initial Registration/Licence fees

A successful applicant will be notified of approval of its application(s) at the conclusion of the application process, and will be required to remit the relevant initial registration/licence fees prior to collecting its certificate of registration/licence. Refer to the Fee Schedule for the applicable sector for additional information on initial licence/registration and other fees.

## Legislation & other regulatory requirements

It is important that applicants review and understand the relevant domestic laws, regulations, rules and guidelines, including the anti-money laundering requirements and measures to combat financing of terrorism that will apply if they become registrants or licencees. Further they should ensure that they have policies and procedures in place prior to commencing operations in order to ensure they are properly managing their risks and to ensure compliance with the requirements.

## Advice

An applicant may liaise with the Commission prior to submitting of its application package in order to be provided with information on the application process and requirements. The Commission however does not provide legal advice. Applicants should seek relevant professional legal advice if they are uncertain as to the application of the regulatory laws.

## Innovative Proposals

Applicants may liaise with the Commission in order to discuss innovative proposals and how such proposals fit into the Commission's regulatory framework.

## Incorporation/Registration – Corporate bodies

The Commission does not provide corporate body incorporation/registration services. Enquiries regarding such should be directed to the Corporate Affairs and Intellectual Property Office.

## Sector Specific Additional Information

Additional application related information for specific types of entities may be found under the sector specific licensing and registration information summaries.