



INTERNATIONAL FINANCIAL SERVICES COMMISSION

PUBLIC NOTICE

(REVISED)

Compliance with the New Capitalisation Requirements

Notice is hereby given to licensees of the International Financial Services Commission (the “Commission”) that the transition period for licensees to comply with the fully paid-up and unimpaired capital (“capital requirement”) established pursuant to regulation 4 (2) of the International Financial Services Commission (Licensing) (Amendment) Regulations, 2016, expires on 1st July 2018. In this respect, if licensees have not yet done so, they are required to take immediate steps to comply with the capital requirement on or before 1st July 2018.

Pursuant to regulation 6 of the International Financial Services Commission (Licensing) Regulations, 2007, the capital requirement must be deposited at a bank or other licensed financial institution in Belize. In this connection, licensees may, with the **prior written approval** of the Commission, deposit the funds required to satisfy the capital requirement into the Commission’s **capital reserve account** held at either Atlantic International Bank Limited or Heritage International Bank & Trust Ltd. for that purpose. Licensees that choose this option, must formally write to the Commission seeking approval to deposit the funds in one of the mentioned accounts. The letter must say which bank the licensee has selected.

Once the written request for approval is received, the Commission will grant its approval and will provide a list of the documentary due diligence requirements of the relevant bank. These documents, duly signed and completed by a senior officer or director of a licensee if required, must be returned to the Commission for onward transmission to the bank. Once the bank has received the due diligence documents from the Commission, it will conduct its own internal due diligence review and if approved by the bank, the licensee will then receive instructions to wire the funds to the relevant capital reserve account.

Alternatively, a licensee may choose to open an individual account for the sole purpose of holding the capital requirement in any of the following **approved banks in Belize**:

- i) Heritage International Bank & Trust Ltd.

- ii) Belize Bank International Ltd. (Licensees holding a Trading in Securities licence and/or Brokerage, Consultancy or Advisory Services in Trading in Securities licence **may not** establish individual accounts at Belize Bank International Ltd. All other licensees engaged in any of the other services as set out in the Third Schedule of the International Financial Services Commission (Licensing) Regulations, 2007 may establish individual accounts.)

If a licensee chooses to open an individual account in any of these approved banks, it must secure a letter from the bank, which must be addressed to the Commission, evidencing that the applicable capital requirement is being held in the name of the licensee by the relevant bank. The letter must include an **unequivocal undertaking** from the bank that the funds will not be removed, reduced, or encumbered without the prior permission of the Commission. **The letter must also have no disclaimer.**

Finally, licensees who maintain an individual account at a bank in Belize other than an approved bank, for holding its capital requirement, must transfer these funds to an approved bank or request the Commission's approval to place the funds in one of the capital reserve accounts mentioned above. A timeframe of six (6) months commencing from the date of this Notice has been set for completion of the transfer.

All licensees are advised to take note.

**International Financial Services Commission
13th June 2018**