



**Guidelines for the Financial Services Commission (Managing Agents) Regulations, 2020 (the ‘Managing Agents Regulations’)**

FSC/1/EG/012

**Dated the 7<sup>th</sup> day of July 2021**

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## **I. INTRODUCTION**

The Managing Agents Regulations are made by the Financial Services Commission (the “Commission”) pursuant to section 76 of the Financial Services Commission Act, Act No. 8 of 2023 (the “FSCA”).

The Commission’s functions under the FSCA includes the supervision and regulation of managing services, determining whether an applicant satisfies the requirements for a managing services licence in respect of the service/activity for which a licence is being applied, and monitoring FS Practitioners (FSPs) and Managing Agents compliance with the Managing Agents Regulations.

## **II. PURPOSE**

These Guidelines clarify the scope of and, where necessary, provides an interpretation of the Managing Agents Regulations. These Guidelines are not intended to be a substitute for legal advice. These Guidelines are reflected on the date of release, and it is the responsibility of the user to keep up to date with any amendments made to the legislation.

## **III. APPLICABILITY**

These Guidelines apply to:

- a) A legal entity wishing to obtain a licence to conduct managing services (both a first-time & renewal).
- b) A managing agent requesting a permit or authorisation in connection with its managing services licence.
- c) Managing agents who no longer wish to provide managing services and are exiting.
- d) Included entities who wish to meet the economic substance requirements by outsourcing its core income generating activities in relation to that relevant activity to a managing agent licensed by the Commission.

## **IV. DEFINITIONS**

**“Required education and experience”** means -

- (a) qualifications obtained from a tertiary educational institution recognized by Belize and accepted by the Commission in disciplines associated with financial and commercial matters.
- (b) knowledge of the activities of the industry, and ability to respond to inquiries from the Director General about all aspects of the FSP or Company’s operations.
- (c) ability to perform, and capable of assuming the responsibilities associated with the full governance and management of the FSP or Company’s business.

**“Included entity”** means an entity that carries out any of the following relevant activities:

- a) banking business;
- b) insurance business;
- c) fund management business;
- d) financing and leasing business;
- e) headquarters business;
- f) distribution and service centre business;
- g) shipping business;
- h) as a holding company, engaged, or where one or more of its subsidiaries is engaged in one of the activities listed under (a) to (g).
- i) all Regulated Entities under the FSCA.

## **V. ELIGIBILITY CRITERIA TO OBTAIN A MANAGING SERVICE LICENCE**

A legal entity is eligible to obtain a managing service licence if it satisfies the Commission that it:

- (a) is a competent or reputable entity that has a proven track record in the proposed activity to be conducted in Belize or in a related field, for at least three (3) years;
- (b) is tax resident in Belize;
- (c) has employed or has capacity to employ executive officers who hold the required educational qualifications;
- (d) possess the knowledge, experience, technical, operational capacity, and managerial resources to meet the obligations and to act as a managing agent;
- (e) is financially sound;
- (f) has access to sufficient funding to enable the entity to operate, if granted a licence; and
- (g) is in all other respects, fit and proper to hold a licence issued by the Commission. Reference the Guidelines for the Fit and Proper Assessment ([FSC/1/EG/011](#)).

## **VI. LICENCE DURATION & PAYMENT OF FEES**

- 6.1. A licence for the conducting of managing services may be granted to a legal entity for a fixed period not exceeding three (3) years.

- 6.1.2. The Director General will make the final determination of the licensing period that may be granted to applicants, which will be dependent on the risk level of the applicant.
- 6.2. If a legal entity is approved a managing service licence for the maximum of three (3) years (if it has applied for 3 years licensing) or for such other period exceeding one (1) year as approved by the Director General, it may either settle the full licence/renewal fee(s) in advance or pay the licence/renewal fee(s) per annual instalments.
  - 6.2.1. The Commission will not refund any licence/renewal fees paid in advance to which a licence has been granted as set out in paragraph 6.2.

Once a licence is granted and the Commission has approved the arrangement to pay licence/renewal fees for subsequent years by instalments, an invoice for the appropriate fees will be issued to the Managing Agent even if it chooses to surrender its licence.

- 6.3. If the full licence/renewal fee is not paid in advance, the first year's licence/renewal fee is due in advance and any licence/renewal fee for a subsequent year(s) is due annually.
- 6.4. Where a first-time licence is issued for more than one (1) year or renewed for a fixed period exceeding one (1) year, the Commission will conduct an annual assessment to verify that the managing agent continues to satisfy the eligibility criteria as fully described at section V above.

## **VII. APPLICATION PROCEDURES AND REQUIREMENTS FOR A FIRST-TIME LICENCE/RENEWAL**

### **LICENSING/RENEWAL CRITERIA**

- A. Every application for a managing service licence (both first-time & renewal) must be made to the Commission *via* [applications@belizefsc.org.bz](mailto:applications@belizefsc.org.bz). An application for the renewal of a managing service licence must be made at least thirty days (30) before the expiry of its licence. A 5% late penalty fee per month [or part of a month] may apply should an application for renewal of a managing service licence **not** be made within the thirty (30) days period stated above.

An application for a managing service licence will be considered **not** received should the application be forwarded to an email address other than the above stated.

- B. An application for a managing service licence shall be routed through a Registered Agent, save for a legal entity as set out in paragraph C. The Registered Agent must conduct proper 'due diligence' on the applicant prior to submission to the Commission.

- C. A legal entity that already has a valid FSC licence may choose to either submit its application for a managing service licence directly to the Commission or through a registered agent as referenced at paragraph B above.
- D. Where a legal entity that is applying for a managing service licence is in possession of an FSC licence, and the legal entity can confirm that it has updated records at the FSC, in respect to applying for this licence, that legal entity is not required to resubmit the documentation to the FSC:
- (a) The entity must indicate that such documentation is in the possession of the FSC and provide the date of the submission of the documentation and the reason for the submission of the documentation.
  - (b) Documentation previously submitted to the FSC to which there were rectifications and/or queries made by the FSC, such documentation must be resubmitted with the necessary corrections.

**Note:** The guideline as stated in paragraph D also applies to an applicant that is part of a group of companies where a member of the group already has an FSC licensee and the principals of the licensee is also a member of the applicant entity.

## **VIII. RELEVANT SUPPORTING DOCUMENTATION/INFORMATION**

An application for a managing service licence shall consist of the following supporting documentation/information, together with the Checklist on Requirements to Obtain a Managing Service Licence (the 'Appropriate Checklist'). The Checklist sets out the relevant documentation and requirements to serve as a reminder and ascertain that the application package (both for a first-time and renewal) is complete.

### **First-Time Licence**

- (a) Cover letter from the Director's legal entity (that is not nominee), seeking a first-time licence and stating the licence duration period being applied for and whether the licence fee will be paid in advance or annually, if the Director General approves the licence(s) for a fixed period exceeding one (1) year.
- (b) Completed Payment Information Form (PIF).  
  
The sum of US\$500.00 non-refundable application fee, which should be settled only upon receipt of an invoice from the Commission.
- (c) A completed certified application form (First Schedule as 'Form C' of the Managing Agents Regulations).

- (d) Evidence of due diligence conducted on the legal entity pursuing the managing service licence.
- (e) KYC Documentation for each key individual of the applicant (i.e., directors, shareholders, beneficial owners, senior executive officers, any other officers in senior positions, etc.):
  - ❖ Biographical affidavit (First Schedule as Form D) (notarised for a resident in Belize; notarised and apostilled for a non-resident).
  - ❖ Valid clear proof of identification, duly notarised and apostilled.
  - ❖ Proof of address within the past three (3) months of receipt of the application (e.g., Utility Bill).
  - ❖ Financial Reference (apply minimum standard as per Guidelines '[FSC/1/EG/002](#)')
  - ❖ Character Reference (apply minimum standards as per Guidelines '[FSC/1/EG/002](#)')
  - ❖ Curriculum Vitae
  - ❖ Evidence of educational qualifications for each key individual of the applicant. In the case of senior executive officers, the educational qualifications presented must support the type of financial services for which it is proposed to offer managing services.
  - ❖ Evidence of due diligence checks (submit a report on any negative findings).
- (f) Evidence of tax residency from the Belize Tax Service.
- (g) Plan of continuing professional development or training plan.
- (h) A letter from the Director of the applicant, attesting to his/her awareness of the following:
  - ❖ the managing agent and senior executive officers must have a good knowledge of and are regularly updated on-
    - i. the FSCA and any Regulations made under that Act;
    - ii. Money Laundering and Terrorism (Prevention) Act (the 'MLTPA');
    - iii. Economic Substance Act, Chapter 273:01 of the Substantive Laws of Belize, Revised Edition 2020; and

iv. any other laws relevant to the functions performed by the managing agent or senior executive officer.

- ❖ That the managing agent and senior executive officers will always act fairly, honestly, in good faith and to the best of the managing agent's or senior executive officer's knowledge and ability in performing the functions of a managing agent or senior executive officer.
- ❖ That the managing agent and senior executive officer will exercise skill, due care, and diligence in performing the functions of a managing agent or senior executive officer (as the case requires).
- ❖ That the managing agent and senior executive officers will make all reasonable enquiries to verify and ascertain any information relevant to a service or transaction relating to the managing agency practice to be provided or performed by the Managing Agent.

(i) Request for the Commission's approval accompanied by relevant supporting documentation to satisfy the capital requirement in any of the forms described in the Capital Requirement Regulations Guidelines '[FSC/1/EG/006](#)'.

(j) Business Documents:

- ❖ Business plan for three (3) years, describing the methodology to be employed in providing managing services, staffing, resources together with mid-term financial projections for the first three years of business.
- ❖ Implementation plan
- ❖ Complaints Handling Procedures
- ❖ Manual of Operating Procedures
- ❖ AML/CFT Policy Manual

The Commission may facilitate processing of an application not accompanied with the business documents listed under bullet point 3-5 above, should we receive an appropriate justification as to why such documents were not submitted. The pending business documents will be applied as an additional terms and conditions to the managing services licence, which are to be submitted to the Commission within a specified period.

(k) Corporate Documents:

- ❖ Certificate of Incorporation/Registration



- ❖ Memorandum and Articles of Association/ or equivalent
- ❖ Register of Director(s)
- ❖ Register of Shareholder(s)
- ❖ Register of Beneficial Ownership
- ❖ Share Certificate(s)
- ❖ Certificate of Good Standing issued by the Belize Companies and Corporate Affairs Registry.

**Note:** Any directorship or shareholding post held by a corporate entity requires the submission of corporate documents on that behalf.

### **Renewal of Licence**

- (a) A cover letter from the Director's legal entity (that is not nominee), seeking the renewal of its managing services licence. This letter must state the licence duration period being applied for and whether the renewal fee(s) will be paid in advance or annually, if the Director General approves the managing service licence for a fixed period exceeding one (1) year.
- (b) A notarised declaration signed by the Managing Agent (person must be of the rank of a director or above), stating the following:
  - i. The number of FS Practitioners or Companies for whom it acts as managing agent.
  - ii. The number of Senior Executive Officers currently employed and the number of FS Practitioners or Companies for whom each senior executive officer is acting.
  - iii. That the duties of the Senior Executive Officers on behalf of those FS Practitioners or Companies do not overlap and is not counted more than once.
  - iv. Details of professional development or trainings for the preceding year (i.e., hours of trainings, number of trainees, frequency of training, level and type of officers being trained, mandatory/voluntary participation, etc.)
- (c) A Certificate of Good Standing (CGS) issued by the Belize Companies and Corporate Affairs Registry.
- (d) Evidence of due diligence checks carried out on the managing agent and its key individuals (Annex a report on any negative findings).

## **IX. APPLICATION PROCESS**

### **First Phase**

The Commission aims to take no longer than thirty (30) working days from the date of receipt of the **completed** application package to perform the two (2) stages listed:

#### **STAGE 1: Acknowledgment and Verification of Completeness of the Application**

After the review of the application and having determined that the application is complete, the application will be referred to the Licensing and Authorisations Department for the assessment phase of the application (as per stage two (2) below).

Incomplete applications will **not** be referred to the Licensing and Authorisations Department for processing unless the Commission is in receipt of the outstanding documentation/information required as part of the application.

#### **STAGE 2: Assessment of Application**

##### **I. Examination of all documents submitted and report recommendations**

An assessment will be carried out on the applicant's fitness and propriety to perform the managing services (which comprises verifying that the applicant and its key individuals has due regard to the elements described in the Guidelines for the [Fit and Proper Assessment](#)).

Where necessary, Registered Agents and FSPs should promptly respond to any queries made by the FSC to avoid further delay in concluding assessment of the application.

##### **II. Final Decision of the Application**

The Commission shall make a determination on the application, which will fall within one of the following three (3) categories:

###### **A. Approval to Grant Licence (the "Notice of Approval")**

Where the applicant satisfies the eligibility criteria and application requirements as set out in these Guidelines, the Director General may approve the grant of the managing service licence for the period which the applicant has applied or for such other period not exceeding three (3) years.

A notice of approval will be issued by the Commission in the following forms:

- ❖ An invoice for the annual licence/renewal fee will follow where the Director General has approved the period for which the applicant has applied, OR
- ❖ A letter setting out the period approved by the Director General. An invoice for the annual licence/renewal fee will be forwarded under a separate cover.

The applicant must settle payment of the annual licence/renewal fee within the due date specified in the invoice.

The Commission may on an exceptional basis, consider granting approval for an extended deadline for payment period should the applicant invoiced provide an appropriate justification as to why the established due date will not be met. This request must be made *via* [applications@belizefsc.org.bz](mailto:applications@belizefsc.org.bz) at least five (5) days before the invoice becomes due and it may attract a US\$500.00 administrative fine. The subject of the email must be “Request for Extension of Payment Period – Managing Service Licence.

Failure to pay within the established due date will attract a five percent (5%) monthly penalty which will be added to the amount past due. Any annual licence/renewal fee owed to the Commission beyond the established due date may lead the Commission to also consider taking any of the following administrative actions:

- i. Rescindment of the approval and refusal of any further application.
- ii. Issue Notice of Show Cause for contravention of Section 7 of the FSCA.

#### B. Application Placed in Abeyance (the “Notice of Abeyance”)

Where the Director General is satisfied that certain information and/or documentation is required for further review and consideration of the application, the Director General may place the application in abeyance and issue a Notice of Abeyance to provide the applicant with the opportunity to address any issues that may have arisen during the initial assessment process.

- ❖ The applicant must satisfactorily address all matters raised by the Commission in the Notice of Abeyance within thirty (30) calendar days of receipt of the Notice of Abeyance.
  - In the case where the applicant foresees that it may require an extension of time beyond the due date stated in the Notice of Abeyance, the Commission may upon receipt of proper justification, grant approval for an extended timeframe of an

additional thirty (30) calendar days to satisfactorily address the issues raised in the Notice of Abeyance. The request for an extension of time must be made to the email address, [applications@belizefsc.org.bz](mailto:applications@belizefsc.org.bz) and it may attract a US\$500.00 administrative fine. The subject of the email must be “Request for Extension of Time – Managing Agents Licence (Notice of Abeyance).”

- The Commission will consider the application lapsed if the applicant does not satisfactorily address the Notice of Abeyance within the specified timeframe or alternatively, did not request for an extension of time.
- Where an application becomes lapsed, the applicant must re-apply if it intends to pursue the licence for managing services.

### C. Refusal of Application (the “Notice of Refusal”)

The Commission may refuse to grant a licence [or renew a licence] to provide managing services on the following grounds –

- (a) the applicant does not meet the eligibility criteria.
- (b) the applicant is obtaining or attempting to obtain a license by fraud, misrepresentation, concealment of material facts, or making a false statement to the Commission.
- (c) the applicant is convicted of an offence and the act or acts for which the applicant was convicted is determined by the Commission to have a direct bearing on whether the person is fit and proper to act as managing agent or if the conviction is for a financial crime.
- (d) the applicant has demonstrated evidence of [professional misconduct] in the practice as managing agent.
- (e) the applicant has violated any standards of practice, or the code of ethics established by the Commission.

Note: In the case in which the Director General finds reasonable grounds to refuse an application for a managing service licence, a Notice of Refusal will be issued to the applicant, stating the reason(s) for the refusal of the licence.

### **Second Phase**

On receipt of the applicant’s response to either a:

#### **I. Notice of Approval:**

- A. The Commission will issue the managing service licence for the approved period within five (5) to ten (10) working days from receipt of payment verification by

the Accounts Department. A managing service's licence shall **not** be granted unless the applicant satisfies the Commission that it has met the requirements of the [Financial Services Commission \(Capital Requirements\) Regulations, 2020](#).

- B. In the case in which the Commission has issued a managing service licence, but has added additional terms and conditions, the managing agent must supply an electronic response evidencing compliance with the additional terms and conditions to email address, [complianceandinspections@belizefsc.org.bz](mailto:complianceandinspections@belizefsc.org.bz), with a copy to [licensingandauthorisations@belizefsc.org.bz](mailto:licensingandauthorisations@belizefsc.org.bz). The subject of the email must be "Terms and Conditions – Managing Service Licence.

❖ Where the managing agent foresees that it may require an extension of time beyond the specified timeframe to address the additional terms and conditions to licence, the Commission may, on an exceptional basis, extend this deadline should the managing agent make such a request and provide appropriate justification as to why the deadline was not met. The request for an extended deadline may attract a US\$500.00 administrative fine. The request for an extension of time must be made electronically to the email address, [applications@belizefsc.org.bz](mailto:applications@belizefsc.org.bz). The subject of the email must be "Request for an Extension of Time – Managing Service Licence.

❖ Failure to address the additional terms and conditions may result in the Commission taking disciplinary action, which may include imposing administrative fines and/or suspension of the managing service licence.

## **II. Notice of Abeyance:**

- A. If the applicant satisfactorily addresses the matter(s) raised in the Notice of Abeyance, the procedures set out at item II (A) of stage 2 of 1<sup>st</sup> phase under the 'Application Process' of these Guidelines applies.

## **III. Notice of Refusal**

- A. No further application to be made to the Commission within the period of one year beginning with the date when the applicant is notified of the refusal for an application for a managing service licence.

## **X. FORMS OF PERMITS/AUTHORISATIONS RELATING TO MANAGING SERVICES**

- 10.1 Applications for other services must be submitted to email address, [applications@belizefsc.org.bz](mailto:applications@belizefsc.org.bz). Other services include -

(a) request to appoint/employ a director or senior executive officer

- (b) changes in directorship and senior executive positions
  - (c) changes in shareholding, membership, partnership, and beneficial ownership positions
  - (d) furnishing of a duplicate managing service licence
  - (e) furnishing of a managing agent's certificate of good standing
  - (f) appointment of a managing agent
  - (g) change of a managing agent
  - (h) termination of managing services
  - (i) resignation as managing agent
  - (j) surrender of managing service licence
- 10.2. Services may be requested by an FSP directly to the Commission, while for a Company, the application for a service must be routed through its Registered Agent.
- 10.3. Non-refundable fee(s) must be payable after the issue of an invoice by the Commission. Other fees become payable after the Commission grants approval for the requested authorisation or services.
- 10.4. Providing the Commission is in possession of updated relevant records for any legal entity applying for any form of permit/authorisation relating to managing services, it should not re-submit such documentation to the Commission.

## **XI. LICENSING PROCEDURES & REQUIREMENTS FOR MANAGING SERVICES**

Every application/service request as set out in paragraph 10.1 above must be accompanied by the completed PIF, together with the following supporting documentation/information, respectively:

### **11.1. APPOINTMENT/CHANGE OF A DIRECTOR OR SENIOR EXECUTIVE OFFICER**

- 11.1.1. A managing agent wishing to add or change a director or senior executive officer, must advise the Commission of its intent to do so before enacting any changes. This notice must be submitted by way of a formal letter to the Director General via [applications@belizefsc.org.bz](mailto:applications@belizefsc.org.bz). This addition or change will not be final until an approval has been granted by the Commission.

For a request for approval, the managing agent must apply to the Director General of the Commission, forwarding the following documents/information:

- (a) The managing agent must provide the reason for the change or addition of director/senior executive officer.

- (b) KYC documentation for the proposed director/senior executive officer as fully described at paragraph VIII (e) at page 7 of these Guidelines.

11.1.2. The Managing Agent must allow at least fifteen (15) working days from the date of receipt of the **complete** application package to receive a response from the Commission.

## **11.2 CHANGES IN SHAREHOLDING, MEMBERSHIP, PARTNERSHIP AND BENEFICIAL OWNERSHIP POSITIONS**

11.2.1. A Managing Agent wishing to change its shareholding, member, partner, or beneficial ownership must notify the Commission requesting to effect such changes. This notice must be submitted by way of a letter from the Director (that is not nominee), accompanied by the following:

- (a) A written undertaking from the Director (that is not nominee), providing the reason for the proposed change(s), stating whether the circumstances in all other respects that existed when the licence was first granted or that the Commission has approved subsequent to the grant of the first-time licence will **not** change; alternatively, to indicate the proposed change(s).
- (b) KYC documentation for the proposed shareholder, member, partner, and beneficial owner as fully described under paragraph VIII (e) at page 7 of these Guidelines.
- (c) Depending on changes submitted in paragraph (a) above, other supporting documentation<sup>1</sup> must be supplied.

A change of shareholder, member, partner, and beneficial owner will be granted an approval as follows:

- (a) A notice of final approval by the Commission will apply should the approved requirements, terms and conditions of the existing managing services licence remain, and the proposed transfer of shares is intended either to:
  - i. distribute or allot shares amongst the existing shareholders, members, partners, beneficial owners, etc., increasing or decreasing the size of a person's ownership interest.
  - ii. transfer 25% or less of shares from existing shareholders, members, partners, beneficial owners, etc. to a new person.

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<sup>1</sup> Other supporting documentation includes and is not limited to: - 1. Director's Resolution authorising the proposed change(s) 2. Corporate Documents for any shareholding post proposed to be held by a corporate entity, together with certificate of good standing, including corporate chart/structure (where applicable) 3. Disclosure of Beneficial Ownership for any proposed changes in ownership position, etc.

- (b) An application for a first-time managing services licence is required to be submitted, along with the sum of US\$500.00 non-refundable application fee upon the Commission's request.

This applies under the following circumstances:

- i. The intended change in shareholder, member, partner, beneficial owner, etc. will cause the approved requirements, terms, and conditions of the existing managing services licence to change<sup>2</sup>.
  - ii. the intended change may cause a new person to acquire >25% shares from an existing shareholder, member, partner, owner, etc. of the managing agent.
- 11.2.2. The managing agent must allow at least fifteen (15) working days from the date of receipt of the **complete** application package to receive a response from the Commission.

### **11.3. APPLICATION FOR A DUPLICATE LICENCE**

- 11.3.1. An application for a duplicate licence must be made in writing accompanied by the following:

- (a) A notarised declaration signed by the Managing Agent, stating the following:
  - i. The circumstances under which its licence has been lost or destroyed.
  - ii. Certification that no improper use has been made or is being made of the licence.

- 11.3.2. The Managing Agent must allow at least ten (10) working days from the date of receipt of the application to receive a response from the Commission.

### **11.4. APPLICATION FOR A CERTIFICATE OF GOOD STANDING**

- 11.4.1. An application for a Certificate of Good Standing (CGS) must be made in writing by the Managing Agent to the Director General of the Commission.
- 11.4.2. The Managing Agent must allow at least ten (10) working days from the date of receipt of the application to receive a response from the Commission.

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<sup>2</sup> This includes and is not limited to, change of the financial services it is authorised to do under the existing managing services licence, etc.



## 11.5. OUTSOURCING

11.5.1. An FSP wishing to fulfil the requirement of Economic Substance through the outsourcing of managing services must apply to the Director General of the Commission for approval of appointment of a Managing Agent. This application must consist of the following documentation/information, and it attracts the application fee of US\$150.00 (which is non-refundable and is to be payable upon the receipt of an invoice from the Commission) -

- (a) the completed certified application form (First Schedule as Form A of the Managing Agent Regulations).
- (b) a signed, stamped, and notarized statutory declaration (First Schedule as Form B) from the proposed managing agent declaring its willingness and capability to act as managing agent.
- (c) evidence of the proposed managing agent's ability and capabilities, namely –
  - (i) operations plan of the proposed managing services detailing the proposed senior executive officers that will be assigned for managing services;
  - (ii) the types of business activities of the FS practitioner that will be outsourced.
  - (iii) business plan of outsourced activities and projected expenditures of at least three years.
- (d) details of the proposed senior executive officers that would be assigned to fulfil governance and management services.
- (e) copy of a draft Service Level Agreement (the 'Agreement') along with an affidavit certification by an attorney-at-law that he has reviewed the draft Service Level Agreement and that it complies with the Act. (The agreement at minimum must contain the information/content as set out in the Third Schedule of the Managing Agents Regulations.)
- (f) details of how the FSP proposes to comply with sections 6(3) and 7 of the ESA in relation to supervision and control of the managing agent in respect of any core income generating activity it is planning to outsource.

11.5.1.1 A Company wishing to fulfil economic substance requirement through the outsourcing of a Managing Agent must apply through its Registered Agent to the Commission for the approval of appointment of the Managing Agent. The prescribed application fee documentation/information set out in paragraph 11.5.1. shall *mutatis mutandis* apply to relevant entities.

11.5.2. Applicants must allow at least thirty (30) working days from the date of receipt of the **complete** application package to receive a response from the Commission.

## 11.6. CHANGE OF MANAGING AGENT

11.6.1. An FSP wishing to change its Managing Agent must apply to the Commission to request such change. This application attracts payment of US\$250.00 to cover the change of Managing Agent fee (which shall be non-refundable and payable upon the receipt of an invoice from the Commission). The application for a change of Managing Agent must consist of the documentation/information listed at paragraph 11.5.1 above, together with the following:

- (a) A declaration letter providing the justification for the request. This declaration letter must be signed by the FSP requesting the change.
- (b) The FSP must provide proof that the Managing Agent was made aware of its decision.
- (c) The FSP must also provide proof from the Managing Agent that all outstanding fees have been settled by the FSP.
- (d) The FSP must also provide a declaration from its legal counsel that the request for change of Managing Agent is not contrary to the Service Level Agreement.

11.6.1.2. A Company wishing to change a managing agent must apply through its registered agent to the Commission for the approval for the change of Managing Agent. The prescribed managing agent fee and documentation/information set out in paragraph 11.6.1. shall *mutatis mutandis* apply to relevant entities.

11.6.2. The FSP must allow at least thirty (30) working days from the date of receipt of the **complete** application package to receive a response from the Commission.

## 11.7. TERMINATION OR RESIGNATION BY A MANAGING AGENT

11.7.1. The FSP may terminate, or a Managing Agent may resign, respectively, in accordance with the terms of the Service Level Agreement.

11.7.2. The FSP must notify the Commission of an intention to terminate within fourteen days of the making of a decision to terminate, along with the reasons for such termination. This must be done *via* a declaration letter signed by the FSP. A resolution of the Board may also be accepted. The FSP must provide the Commission with its alternate plan to meet economic substance, along with a timeline to implement this plan.

11.7.3. Where the Managing Agent resigns, it must notify the Commission and provide its reasons for resignation within fourteen days of the making of this

decision. This must be done *via* a declaration letter signed by the Managing Agent.

- 11.7.4. The Managing Agent must provide the Commission with its plan to transition its managing services provided to the FSPs and Companies to the new Managing Agent(s). The outgoing Managing Agent has a duty to ensure that its contractual obligations are terminated in an appropriate, legal, and professional manner.
- 11.7.5. The FSP must undertake the process of appointment of a new Managing Agent within one month of the date of termination or resignation.
- 11.7.6. If within one month of the date of termination or resignation and the FSP has not appointed a new Managing Agent, the Commission may direct the FSP to meet economic substance by any other mode and specify the details and timeframe of not more than one month within which the economic substance requirements may be met.

#### **11.8. NON-RENEWAL/SURRENDER OF LICENCE**

- 11.8.1. Should the Managing Agent intend to not renew its licence, it must notify the Commission via [complianceandinspections@belizefsc.org.bz](mailto:complianceandinspections@belizefsc.org.bz) and provide its reasons for the non-renewal at **least three months before the expiration of said licence**. This must be done *via* a declaration letter signed by the Managing Agent. A resolution of the Board may also be accepted.
  - 11.8.1.1 The Managing Agent must provide the Commission with its plan to transition its managing services provided for the FSPs and Companies to the new Managing Agent(s). The outgoing Managing Agent has a duty to ensure that its contractual obligations are terminated in an appropriate, legal, and professional manner.
  - 11.8.1.2. Should the Managing Agent not renew its licence, the Commission will also notify the FSP/Company of the Managing Agent's failure to renew its licence and of its prospective failure to comply with the requirements of economic substance; in addition to its requirement to meet economic substance.
- 11.8.2. Should the Managing Agent intend to surrender its licence, it must notify the Commission stating the reason(s) for the surrendering of the licence at **least three months before the expiration of its licence**. This must be done *via* a declaration letter signed by the Managing Agent. A resolution of the Board may also be accepted.
  - 11.8.2.1. The Managing Agent must provide the Commission with its plan to transition its managing services provided for the FSPs and Companies to the new Managing Agent(s). The outgoing Managing

Agent has a duty to ensure that its contractual obligations are terminated in an appropriate, legal, and professional manner.

- 11.8.2.2. Should the Managing Agent surrender its licence, the Commission will also notify the FSP/Company of the Managing Agent's decision to surrender its licence and of its prospective failure to comply with the requirements of economic substance; in addition to its requirement to meet economic substance.