

The application process for regulatory licences and approvals in the British Virgin Islands

Service area / [Corporate](#)

Location / [British Virgin Islands](#)

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Entities wishing to carry out regulated investment business in the British Virgin Islands (the “BVI”) require approval from the BVI Financial Services Commission (the “FSC”) under either the Securities and Investment Business Act (“SIBA”) or, in the case of investment managers, the lighter regulatory regime prescribed by the Investment Business (Approved Managers) Regulations, 2012 (the “Approved Managers Regulations”). This guide sets out the application process under each of SIBA and the Approved Managers Regulations. For further information regarding when a licence is required under SIBA or continuing obligations under SIBA or the Approved Manager Regulations please refer to our client guides “Continuing Obligations for BVI Regulated Entities” and “Guide to the Approved Managers Regime in the BVI” or contact the Carey Olsen BVI team.

[Applications under SIBA](#)

A person may apply for an investment business licence under SIBA for one or more of the following categories of investment business:

See table overleaf

Category	Licence type	Sub-categories
Category 1	Dealing in Investments	Sub-category A: Dealing as Agent; or Sub-category B: Dealing as Principal
Category 2	Arranging Deals in Investments	
Category 3	Investment Management	Sub-category A: Managing Segregated Portfolios (Excluding Mutual Funds); Sub-category B: Managing Mutual Funds; Sub-category C: Managing Pension Schemes; Sub-category D: Managing Insurance Products; or Sub-category E: Managing Other Types of Investments
Category 4	Investment Advice	Sub-Category A: Investment Advice (Excluding Mutual Funds); or Sub-Category B: Investment Advice (Mutual Funds);
Category 5	Custody of Investments	Sub-category A: Custody of Investments (Excluding Mutual Funds); or Sub-category B: Custody of Investments (Mutual Funds)
Category 6	Administration of Investments	Sub-category A: Administration of Investments (Excluding Mutual Funds); or Sub-category B: Administration of Investments (Mutual Funds)
Category 7	Operating an Investment Exchange	

On receipt of an application in the approved form, the FSC may issue a licence to an applicant if it is satisfied that:

- the applicant intends, if issued with a licence, to carry on the relevant investment business;
- the applicant satisfies the requirements of SIBA and the Regulatory Code, 2009 (the “Regulatory Code”) in respect of the application;
- the applicant will, on issuance of the licence:
 - a. have capital resources at least equal to any minimum limits prescribed by the Regulatory Code; and
 - b. is in compliance with SIBA, the Regulatory Code and any other practice directions applicable to it;
- the applicant, its directors and senior officers and any persons having a significant interest in the application satisfy the FSC’s fit and proper criteria;
- the organisation, management and financial resources of the applicant are, or on the issuance of the licence will be, adequate for the carrying on of the relevant investment business; and
- issuing the licence is not against the public interest.

An application under SIBA must be in writing in the approved form and include such additional documents or information as the FSC reasonably requires to determine the application. All applicants for a SIBA licence must complete Part 1, Part 4 (where applying for an investment business licence), Part 5 and Part 6 of the prescribed SIBA application forms. In addition, Part 2 of the application must be completed in the case of an application for a banking or fiduciary services

business licence and Part 3 of the application must be completed in the case of an application for an insurance licence.

The application must also include the application fee of US\$1,000.

If, before an application is determined by the FSC, there is a material change in any information or documentation provided by or on behalf of the applicant to the FSC in connection with the application or the applicant discovers that any such information is incomplete, inaccurate or misleading, the applicant must give the FSC written particulars of the change or of the incomplete, inaccurate or misleading information or documentation as soon as possible.

Approved manager application

An applicant for an Approved Manager licence may commence management business seven days after the submission of a complete approved manager application in the prescribed form to the FSC, unless the FSC agrees to a shorter period in writing. The applicant may then carry on “relevant business” for a period of 30 days (or such extended period as the FSC may approve) until the application is approved.

Continued

A complete application will consist of:

- a completed application form including:
 - a. the details of each director or general partner and senior officer of, and of each person who owns or holds an interest in, the applicant;
 - b. a written declaration by the applicant that each director or general partner and senior officer of, and each person who owns or holds a significant interest in the applicant is fit and proper in accordance with Schedule 1A of the Regulatory Code (a significant interest means, in short, the holding of 10% or more of the interest in the applicant);
 - c. the number and details of the funds that the applicant intends to act for upon commencement of “relevant business”;
 - d. a written confirmation as to which individuals will be carrying out the day-to-day investment business functions of the applicant;
 - e. a written confirmation as to whether or not the applicant has delegated or intends to delegate any of its relevant business functions (together with details of any individuals within the delegate’s organisation who will be carrying out the delegated function);
 - f. a written declaration by the applicant’s authorised representative or legal practitioner that the application for approval as an Approved Manager is complete and meets the application requirements of the Approved Manager Regulations; and
 - g. a written confirmation from the Applicant’s legal practitioner that the legal practitioner has agreed to act for the applicant;
- a copy of the applicant’s constitutional documents;
- a copy of the investment management or advisory agreement between the applicant and each fund (or person) that the applicant intends to act for upon commencement of “relevant business”; and
- a resume or CV of each director and senior officer of the applicant, the individuals who will carry out the day-to-day investment business functions of the applicant and of any person to whom the applicant proposes to delegate any of its investment business functions.

The application must also include the application fee of US\$1,000.

For further information and assistance regarding the application process for regulatory licences and approvals in the BVI please contact the Carey Olsen BVI team.



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