



## Financial Services Regulatory Commission

### Circular No. 1 of 2020

**To:** All Corporate Management and Trust Service Providers  
**From:** Bunny Govia-Butler, Manager of IBCs & CMTSPs  
**Date:** January 30, 2020  
**Subject:** Appointments and Transfers – Prior Approval

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In accordance with Section 13(1) of the Corporate Management and Trust Service Providers Act, 2008, (as amended), (the 'Act'), all corporate and trust service providers are reminded that no appointment of a director, officer, or manager, shall be made without the *prior* written approval of the Commission.

In accordance with Section 13(3) of the Act, all applicable corporate and trust service providers (licensees) are reminded that shares or other equity interests must not be issued to any person who intends to have beneficial ownership or control of more than 20% of the licensee without the prior approval of the Commission

Additionally, no shareholder or other equity holder with beneficial ownership or control of more than 20% of the licensee may transfer shares or other equity interest to another person with the prior approval of the Commission.

Further, no shareholder or other equity holder of a licensee may transfer shares or other equity interest to another person, without the prior written approval of the Commission, where such transfer will result in the transferee owning or controlling more than 20% interest in the licensee.

In the event shares or equity interests in a licensee are acquired through the process of law, inheritance, merger or other succession to any person, which results in that the person

becoming a beneficial owner or controller of at least 20% interest in the licensee, such must be notified to the Commission in writing by the secretary of the licensee within thirty (30) days of becoming aware of such transfer.

In determining whether to approve the appointment of a director, officer or manager of a licensee or the transfer of shares in a licensee, the Commission will take into consideration the requirements of Section 6 of the Act in determining the individual's fitness and propriety.

Where there is an issuance or transfer of shares or other equity interest resulting in a person who is not approved by the Commission owning or controlling more than 20% of the licensee in contravention of the Act, the Commission reserves the right to void or order the person to divest or otherwise relinquish control of the shares so issued or transferred. The Commission further reserves the right to impose such terms or conditions as deemed appropriate or to revoke or suspend the license.

Please be guided accordingly.