

Vol. 51 | June 2018

STATISTICAL

BULLETIN



STATISTICAL BULLETIN - Q2 2018

This is the fifty-first volume of the BVI Financial Services Commission's Quarterly Statistical Bulletin. It provides important statistics, information and analysis on financial services activities for the second quarter of 2018. The FSC's Statistical Bulletin is one mechanism by which the FSC communicates the progress made within several different sectors of the Financial Services industry.

Registry of Corporate Affairs

The Registry of Corporate Affairs primarily administers the BVI Business Companies Act, 2004, the Limited Partnership Act, 1996 the Limited Partnership Act, 2017, the UK Patents Act, 1925, the Trade Marks Act, 2015 and the Trade Mark Rules, 2015 . It is responsible for ensuring that entities doing business in and from within the Territory are duly registered and maintains the required Registers of Companies.

Table 1 below provides the number of new Incorporations for Q2 2018.

Incorporations

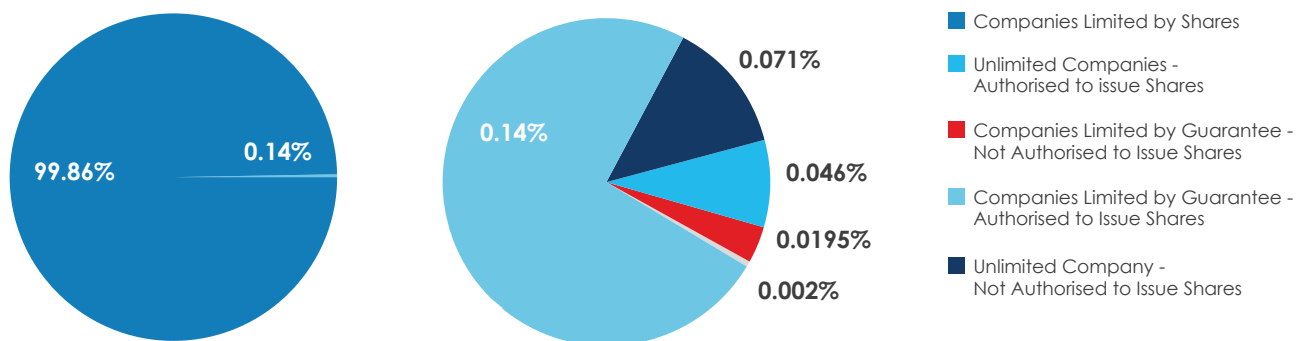
	Q2 2018	Q1 2018	Q2 2017	Total BCs on the Register (as at 30 th June 2018)
*BC Quarterly Incorporations	9,126	9,798	7,621	417,125

*Company incorporations include new BCs, private trust companies, foreign companies and continuations.

The number of new incorporations in Q2 2018 increased by 19.75% when compared to the number of new incorporations in Q2 2017. The number of incorporations for Q2 2018 were 663 less than that reported in the previous quarter, a 6.86% decrease.

Chart A below gives an overview of the composition of BVI BCs incorporated by type.

BVI Business Companies by Type



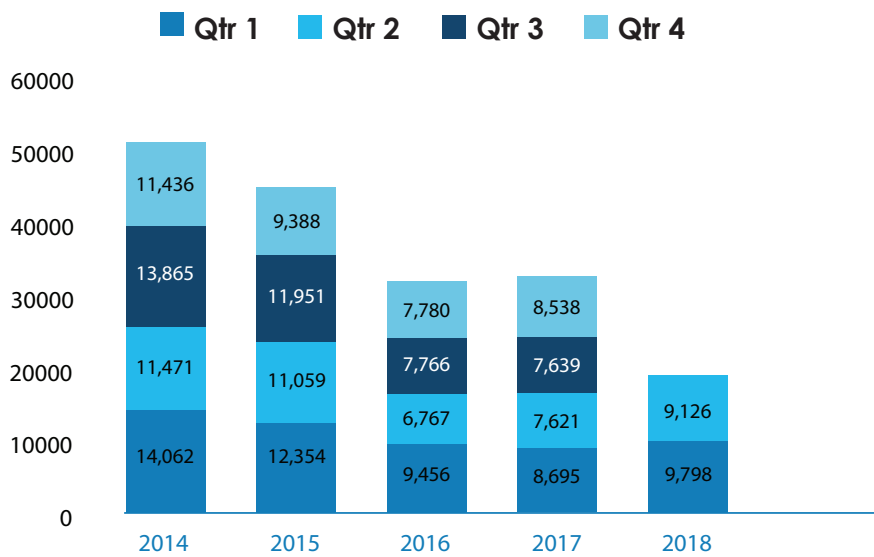
The largest type of BCs that are incorporated are "Companies Limited by Shares". All other company types make up less than 1% of all registered BCs.

Table 2 below provides the number of new BC's for the listed registrations.

Other BC Registrations	Q2 2018	Q1 2018	Total number of Registrations on the Register (as at 30 th June 2018)
Restricted Purpose Companies (RPCs)	-	-	17
Segregated Portfolio Companies (SPCs)	2	-	98
Private Trust Companies (PTCs)	27	29	1,131
Non-Profit Organisations (NPOs)	1	-	41
Foreign Companies	1	2	58
Continuations	79	102	1,959

Chart B below provides Company Incorporations by quarter for the period 2014-2018.

Company Incorporations (2014-2018)



Q2 2018 outperforms Q2 2016 and Q2 2017 with a 34.86% and 19.75% increase respectively.

Table 3 Top 10 BC Transactions (2016-2018).

BC Transactions	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Name Reservation (10 days)	44,021	37,734	30,842	34,466	39,647	37,170	38,208	33,923	33,123	22,107
Registration of Members	514	419	-*	-*	-*	-*	-*	-*	-*	-*
Registration of Directors	25,191	26,610	36,186	33,547	37,289	82,673	141,845	177,387	22,896	273
Request for Certificate of Good Standing	14,202	13,341	14,432	12,546	14,506	13,528	14,507	13,301	14,864	9,495
Notice of Change of Registered Office Address	7,301	2,110	536	2,807	337	108,156	9,000	33,923	86	38
Notice of Change of Registered Agent	5,941	3,740	4,028	2,444	337	3,432	3,544	2,468	1,844	952
Filing Notice of Completion of Liquidation	2,672	2,684	4,196	2,144	3,575	3,754	3,927	2,566	2,654	1,749
Filing of Notice of Appointment of Liquidator	2,465	2,576	3,916	2,439	3,380	3,633	4,348	2,832	2,721	1,652
Application for Registration of Charge	2,437	2,291	2,677	2,172	1,892	1,762	2,040	1,874	1,867	1,266
Request for Certifications (BC)	2,354	2,597	2,892	1,957	2,172	2,137	2,140	1,723	1,742	1,070
Registered Agent Intent to Resign	1,549	7,795	2,066	2,341	12,083	10,463	1,342	1,397	990	487

Name Reservations (10 days) consistently falls in the two most frequent transactions seen from 2016 to 2018. The total number of Name Reservations (10 days) transactions filed and approved in Q1 and Q2 2018 is 81,755. 92 Name Reservations (90 days) have also been filed and approved in 2018 making the total number of Name Reservations filed and approved for 2018 thus far 81,845.

Since the enactment of the BVI Business Companies (Amendment) Act, 2015 and 2016 which introduced the mandatory filing requirement of Registers of Directors for BCs registered on or after 1 April 2016, the number of Registers of Members and Directors has spiked with the most filings being done in Q3 2016, which exceeded the number of "Name Reservations" filed in that quarter. Figures for the Registration of Directors remains over the 10,000s.

*Prior to Q1 2018, the transaction for the filing of Registers of Directors were counted along with the transaction for the filing of Registers of Members. The two have now been separated and recorded separately.

Limited Partnerships

The Limited Partnership Act, 2017 ("The new act") was enacted in December 2017 and applies to all newly formed BVI limited partnerships. The limited partnership provisions of the 1996 Partnership Act continue to apply to limited partnerships which were formed prior to the commencement of the new Act and which have not re-registered under the aforementioned Act.

Chart C below indicates Limited Partnership Formations by Quarter.



There was a 72.73% increase in the number of new Limited Partnerships (LPs) formed in Q2 2018 when compared to Q2 2017. There was a 22.58% increase in the number of LPs formed in Q2 2018 when compared to Q1 2018. The number of new LPs formed has steadily increased from quarter to quarter².

Table 4 below provides a list of Selected Post Formation Transactions.

Q2 2018 Approved Transactions	Q2 2018	Q1 2018	Q2 2017
Amendment to Partnerships/General Amendments	31	87	8
L.P. Request Certificate of Good Standing	28	28	46
L.P. Notice of Dissolution	10	23	9
L.P. Registration of Limited Partnership	37	18	22
L.P. Notice of Completion of Liquidation	21	10	10
Request for Certifications	7	10	3
L.P. Registered Agent Intent to Resign	5	3	14
L.P. Notice of Resignation of Registered Agent	1	1	6
L.P. Notice of Continuation out of the Virgin Islands (Discontinuation)	-	1	1
Registration of L.P. Continuing under the Limited Partnership Act, 2017	1	-	-

L.P. Registration of Limited Partnership is the most frequent L.P. transaction for Q2 2018.

² The number of Limited Partnerships formed in 2017 are respectively; Q2:22; Q3:23; Q4:27; Q1 2018: 31; Q2 2018: 38.

Trade Marks

The Intellectual Property Unit within the Registry of Corporate Affairs is responsible for administering all laws relating to intellectual property in the British Virgin Islands. Responsibilities currently include the registration and post registration filings under the Trade Marks Act 2013, and the Trade Marks Rules, 2013 and the Registration of United Kingdom Patents Act, 1925 (CAP.156) of the Laws of the Virgin Islands and The United Kingdom Designs (Protection) Act, 1930 (CAP.159) of the Laws of the Virgin Islands.

Chart D below indicates the Number of New Applications to Register a Trade Mark filed by Quarter.



The total number of new applications to register a Trade Mark for Q2 2018 increased by 4.08% when compared to Q2 2017. The total number of new applications to register a Trade Mark for Q2 2018 increased by 8.51% when compared to Q1 2018.

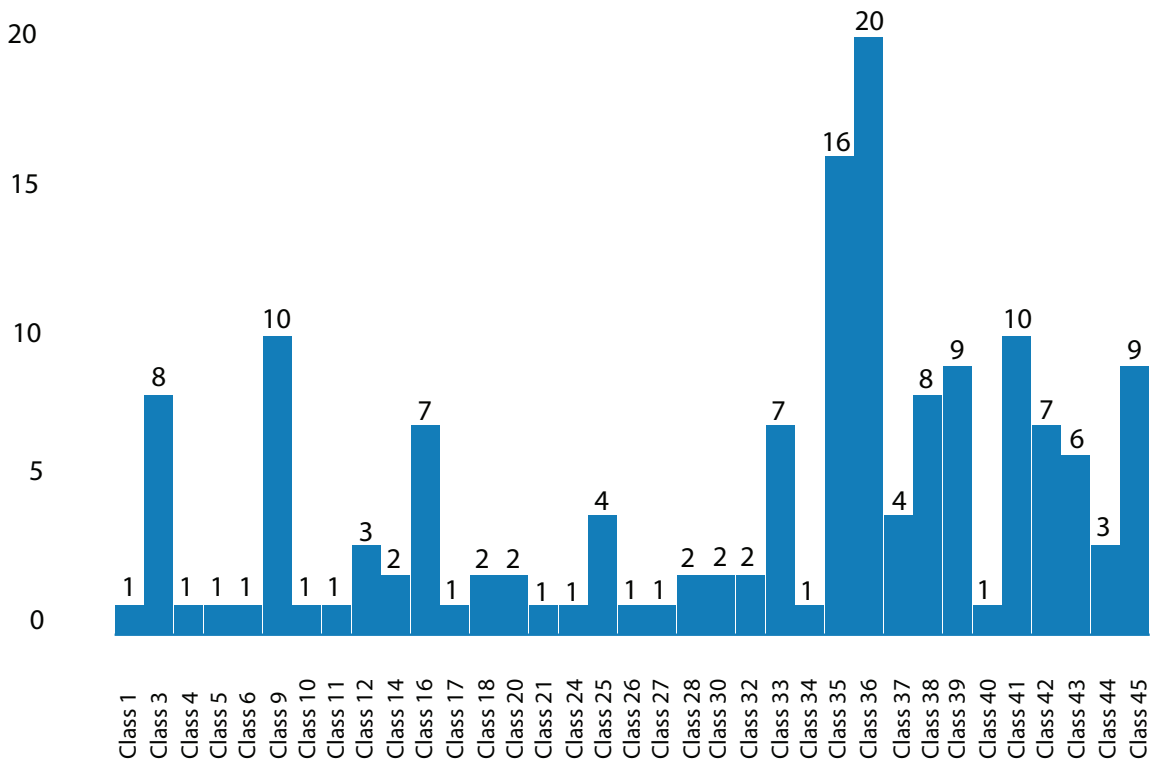
Since the enactment of the Trade Marks Act, 2013 (September, 2015) a total of 747 new applications to register a Trade Mark have been filed³.

Chart E below details the Total Number of New Applications to Register a Trade Mark filed from 2016-2018 under the Trade Marks Act, 2013.



³ It may take up to 3 months for a Trade Mark to be registered, after the submission of an application. The submission of an application is not a guarantee that a Trade Mark will be registered.

Chart F details the Frequency of Trade Mark Classes Registered Under the Trade Marks Act, 2013.



The above frequency chart details the most popular Trade Mark Classes registered. Classes 9, 35, 36 and 41 are the most popular Trade mark classes for Q2 2018. Trade Mark Classes are designated under the Nice Classification (NCL) System. A description of all the classes may be accessed at www.wipo.int/classifications/nice/en/. The World Intellectual Property Organisation (WIPO) class index lists classes 1-34 as goods and classes 35-45 as services.

Chart G details the Top 4 Popular Nice Classifications.



Table 5 below details Post Registration Transactions for Trade Marks.

Transactions	Q2 2018	Q1 2018	Q2 2017
Change of Name/Address/ Service or Agent Requests (TM19)	126	76	79
Renewal Requests (TM11)	124	52	55
Restoration Requests (TM11)	12	14	6
Application to Register Registrable Transaction other than license (TM13)	21	11	9
Search Requests (TM21)	38	10	37
Notice of Withdrawal (TM8)	-	1	-
Surrender Notices (TM12)	-	-	2
Request for copy of Extract (TM20)	4	-	4
Total	325	164	192

Change of Name/Address/Service or Agent Request is the most frequent post registration transaction for Q2 2018. This is followed by Renewal Requests. The number of post registration transactions filed increased by 69.27% in Q2 2018 when compared to Q2 2017. The total number of post registration transactions filed increased by 98.17% in Q2 2018 when compared to Q1 2018.

Table 6 below details the Total Number of Registered Trade Mark Agents.

Q2 2018	Type of Trade Mark Agent			Total No. of Trade Mark Agents
	Individual	Legal Person	Partnership	
January	-	-	-	-
February	-	-	-	-
March	-	-	-	-
Cumulative Total	11	6	5	22

The total number of Trade Mark Agents registered since the enactment of the new Trade Marks Act, 2013 is 22. 50% of all registered Trade Mark Agents are individuals.

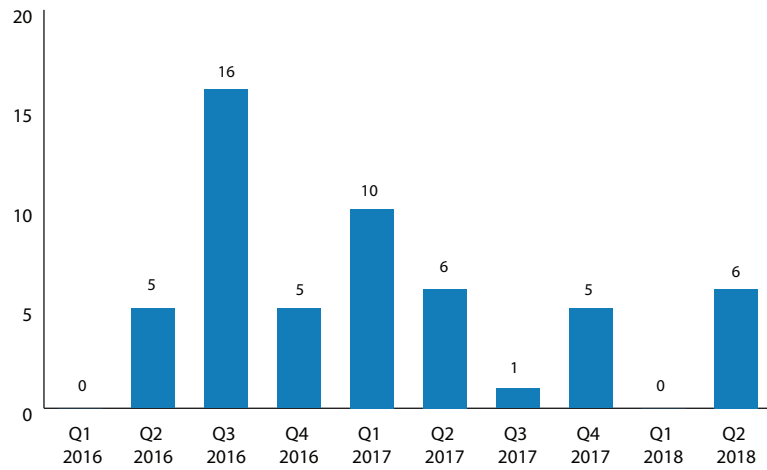
Patents

The re-registration of UK Patents currently falls under the Registry of Corporate Affairs, under the the Office of Trade Marks, Patents and Copyright.

Chart H details the Number of Patents Re-registered by Quarter.



Chart I. below depicts the Number of Patents Re-registered over a 2 year Period (2016-2018).



Banking, Insolvency and Fiduciary Services

Chart J indicates the Total Number of Entities holding a Banking Licence.



The following Balance Sheet and Financial Stability Indicators are representative of all commercial Banks in aggregate. All monetary values for the Banking Industry are recorded in USD '000s.

Table 7 indicates Selected Balance Sheet Items in USD '000s.

Selected Balance Sheet Items	Q2 2018	Q1 2018	Q2 2017
Cash Items	\$969,954	\$974,854	\$785,531
Loans & Advances	\$1,271,816	\$1,278,288	\$1,300,916
Investments	\$506	\$531	\$15,656
Total Other Assets	\$103,916	\$140,351	\$96,670
Total Assets	\$2,356,192	\$2,406,017	\$2,198,773
Deposits	\$2,021,196	\$1,993,675	\$1,732,200
Long Term Debt	\$52,871	\$66,360	\$80,705
Accrued Liabilities	\$5,894	\$7,399	\$8,078
Other Liabilities	(\$227,301)	(\$145,995)	(\$75,938)
Loss Reserves	\$20,555	\$23,156	\$2,763
Total Liabilities	\$1,873,215	\$1,944,595	\$1,747,808
Total Shareholder's Equity	\$482,977	\$461,422	\$450,965

Cash items decreased (%) quarter over quarter and year over year due to seasonality and/or the level of activity by the general public, to meet projected commitments and other liquidity demands, and fluctuations in balances held with inter-company accounts;

Loans and Advances decreased (%) quarter over quarter and year over year due to a tightening of credit standards and a decrease in credit demand attributed to the impact of Hurricane Irma in Q3 2017.

Investments decreased (%) quarter over quarter and year over year are attributed to the maturity of funds and the transfer of funds to finance pending commitments.

Total Other Assets decreased (%) quarter over quarter due to payment of accrued interest for loans and fluctuations in balances held with inter-company accounts.

Long Term Debt decreased (%) quarter over quarter and year over year due to re-payment of commitments and fluctuations in balances held with inter-company accounts.

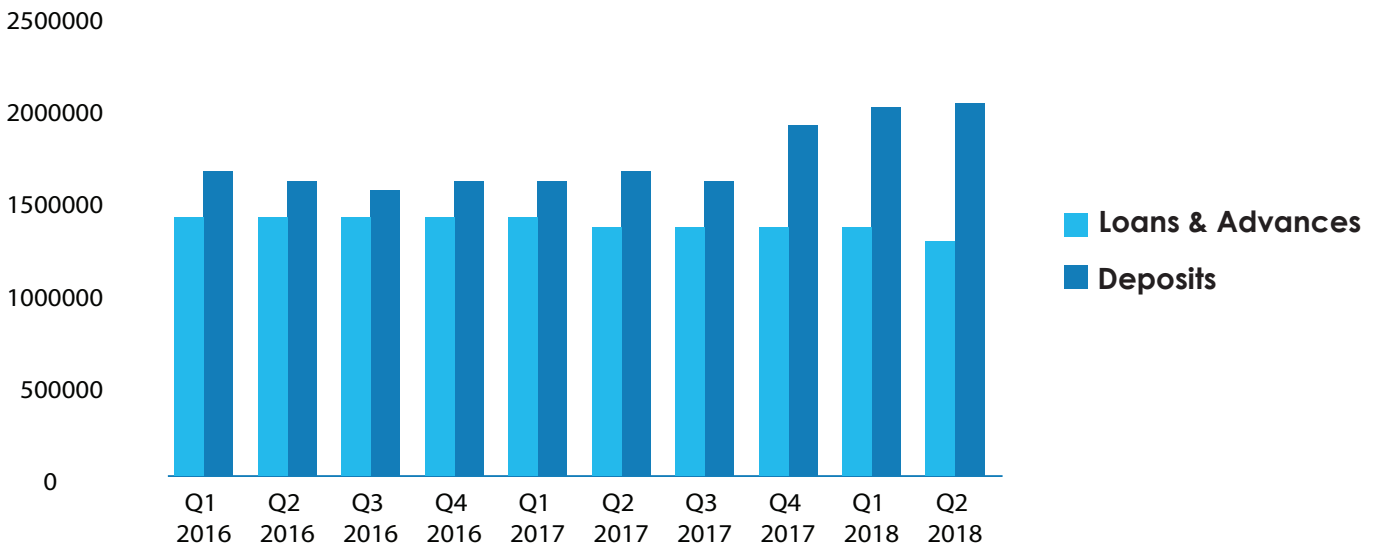
Accrued Liabilities decreased (%) quarter over quarter and year over year due to a decline in vendor activity, maturity dates of certificate of deposits and other interest bearing accounts (that matured during the quarter) and the rates of interest paid.

Other Liabilities decreased (%) quarter over quarter and year over year due to the fluctuation of balances held on inter-company accounts.

Loss Reserves decreased (%) quarter over quarter due to net charge-offs and the decrease in credit demand. When compared to the same reporting period in the prior year, this category increased year over year due to the transition of some banks to the accounting IFRS 9 standards, which requires banks to recognize expected credit loss (ECL) at all times and to update the amount of ECL recognized at each reporting date to reflect changes in an asset's credit risk (immediate provision to be marked against a bank's capital for all loan facilities).

Total Shareholder's Equity increased quarter over quarter and year over year reflecting growth of net income for the second quarter of the year.

Chart K details Total Loans and Deposits over a 2 year Period (2016-2018) in USD'000s.



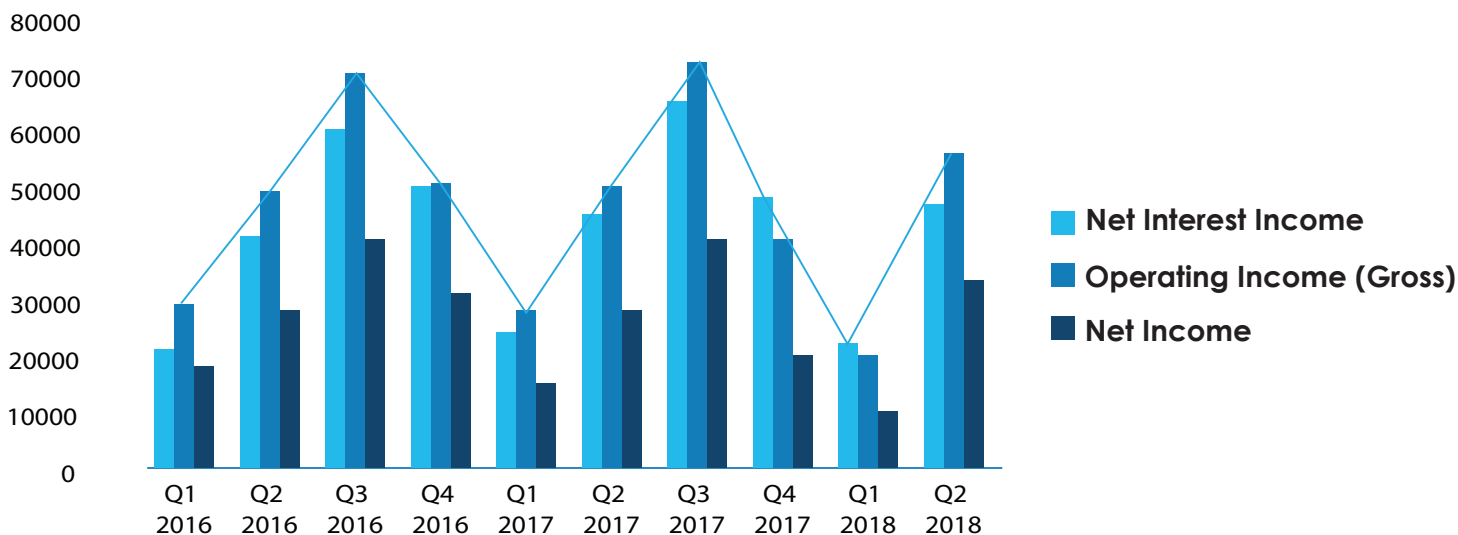
Total Deposits rose by \$288,996 (16.68%) in Q2 2018 when compared to total deposits in Q2 2017 and by \$27,521 (1.38%) when compared to Q1 2018. Deposits consistently remain above Loans and Advances. Deposits increased quarter over quarter and year over year due to savings and continued disbursement of insurance payout checks related to damages sustained territory wide from the Q3 2017 hurricanes. Ongoing negotiations between insurance providers and customers led to late disbursement of checks. Further, the demand for building material was greater than the market could supply which resulted in moderate movement of funds from deposit accounts.

Table 8 provides selected items from the Statement of Income for Licensed commercial BVI Banks.

	Q2 2018	Q1 2018	Q2 2017
Net Interest Income	\$46,706	\$23,201	\$45,129
Operating Income (Gross Income)	\$53,881	\$21,117	\$49,959
Net Income	\$33,346	\$10,044	\$27,910

The Net Interest Income recorded for all commercial banks increased by 3.49% in Q2 2018 when compared to Q2 2017. Net Interest Income also increased by 101.31% in Q2 2018 when compared to Q1 2018. Net Income increased by 19.47% in Q2 2018 when compared to Q2 2017 and by 231.99% when compared to Q1 2018.

Chart L Details Net Interest Income, Operating Income Gross and Net Income over a 2 year Period (2016-2018).



The above chart indicates a consistent pattern in the amount of Net Interest Income, Operating Income (Gross) and Net Income over a two year period (2016-2018). Q3 in each given year out-performs the other quarters while Q1s are the lowest performing among the quarters.

Table 9 below provides Solvency Indicators for Licensed commercial BVI Banks.

Solvency	Q2 2018	Q1 2018	Q2 2017
Adjusted Risk-weighted Assets	\$1,172,689	\$1,209,988	\$1,171,462
Risk-asset Ratio	42.17%	38.97%	39.18%
Net Income	\$33,346	\$10,044	\$27,910

Adjusted Risk-weighted Assets recorded for all commercial banks increased by 0.1% in Q2 2018 when compared to Q2 2017. Adjusted Risk-weighted Assets decreased by 3.08% in Q2 2018 when compared to Q1 2018.

Chart M below depicts the Risk Asset Ratio over the course of 2 years.

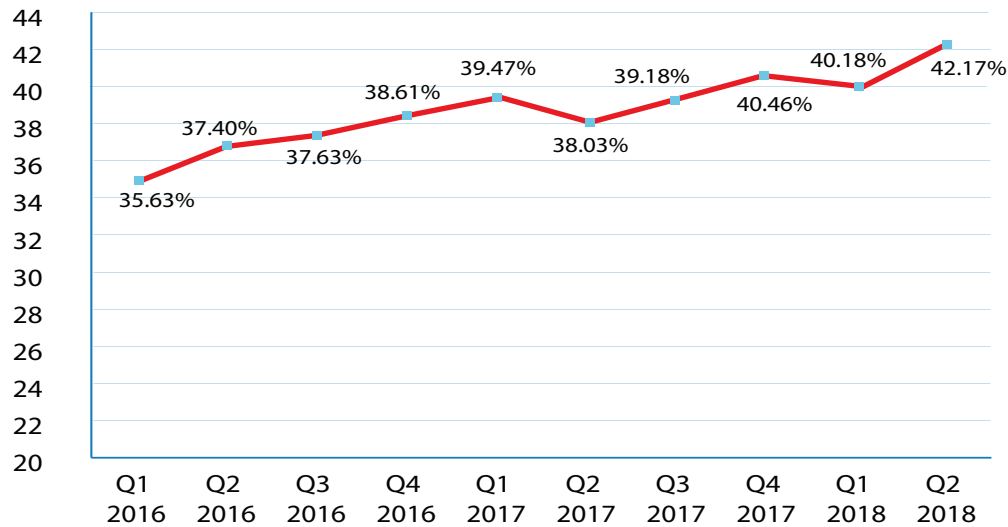


Table 10 below provides selected Asset Quality Indicators for Licensed commercial BVI Banks.

Asset Quality in USD '000s	Q2 2018	Q1 2018	Q2 2017
Total Non-Performing Loans	\$102,558	\$78,728	\$57,426
Non-Accruing Loans	\$79,676	\$85,032	\$46,354
Non-Performing Loans as a percentage of Total Loans	8.06%	6.16%	4.41%
Loan Loss Reserves	\$20,555	\$27,429	\$2,763

Total Non-Performing Loans in Q2 2018 rose by 78.59% when compared to Q2 2017 and by 30.27% when compared to Q1 2018. Loan Loss Reserves increased by 643.94% in Q2 2018 when compared to Q2 2017. They decreased by 25.06% when compared to Q1 2018.

Table 11 below provides selected Profitability Indicators for Licensed commercial BVI Banks.

Profitability	Q2 2018	Q1 2018	Q2 2017
Return on Assets	1.42%	0.42%	1.27%
Return on Equity	6.84%	2.16%	6.11%
Profit Margin	64.17%	39.19%	56.92%
Net Interest Margin to Gross Income	86.68%	109.87%	90.33%
Non-Interest Expense to Gross Income	39.87%	54.07%	46.05%

Table 12 below provides Selected Items: Concentration & Sensitivity to Market Risk for Licensed commercial BVI Banks.

Concentration	Q2 2018	Q1 2018	Q2 2017
Deposits			
Ten (10) largest depositors as a percentage of total deposits	21.24%	32.41%	33.82%
Demand Deposits as a percentage of total deposits	38.30%	41.00%	36.75%
Related Deposits as a percentage of total deposits	0.06%	0.06%	0.20%
Loans			
Ten (10) largest loans as a percentage of total loans	18.23%	17.47%	19.17%
Market loans as a percentage of total loans	68.45%	68.93%	55.62%
Related loans as a percentage of total loans	49.11%	50.34%	38.31%
Sensitivity to Market Risk			
Net Open Position in USD '000s	42	46	61
Net Open Position as a percentage of Capital	0.01%	0.01%	0.01%

Financing and Money Services

Chart N below details the total number of Money Services Business and Financing Business Licensees.



The following tables provide Balance Sheet and Financial Stability indicators in exact USD for the Money Services Business Sector.

Table 13 below indicates Selected Balance Sheet Items for the MSB Sector.

	Q2 2018	Q1 2018	Q2 2017
Cash Items	\$84,248	\$744,033	\$800,000
Total Assets	\$3,373,746	\$3,039,135	\$2,841,527
Total Liabilities	\$2,449,180	\$2,235,983	\$2,205,708
Total Shareholders' Equity	\$924,566	\$803,152	\$635,819

Table 14 below indicates Financial Stability Indicators for the MSB Sector.

	Q2 2018	Q1 2018	Q2 2017
Current Ratio (Current Assets to Current Liabilities)	149.16%	149.88%	184.99%
Current Assets to Total Assets	75.15%	72.73%	99.26%
Net Profit Margin	29.83%	30.76%	10.97%
Return on Assets	4.08%	3.69%	1.17%
Return on Equity	14.89%	13.96%	5.24%

Table 15 below provides totals for money transmitted to and from the BVI by MSBs – By Quarter.

Amount Received for Transmission:	Q2 2018	Q1 2018	Q2 2017
From the BVI to Foreign Countries	\$20,530,234	\$16,716,321	\$16,733,518
To the BVI from Foreign Countries	\$1,551,000	\$1,405,687	\$1,396,370
Number of Transactions			
From the BVI to Foreign Countries	61,568	51,579	60,883
To the BVI from Foreign Countries	3,671	2,653	738

All reported figures for MSBs are in exact USDs.

Fiduciary Services

Table 16 indicates the number of Fiduciary Services Licensees by Quarter.

Fiduciary Services Licensees Q1 2018	Q1 2018 Licensees	Q2 2018 Licences Issued	Q2 2018 Licences Cancelled	Licensees as at 30 th June 2018
Class I Trust	63*	-	2	61
Class II Trust	25	-	1	24
Class III Trust	17	-	1	16
Restricted Class II Trust	55	-	2	53
Restricted Class III Trust	-	-	-	-
Company Management	18	-	-	18
Authorised Custodian	10	-	1	9
Total	189	-	7	181

* This figure was revised from 64 to 63 and the totals have been adjusted accordingly.

Table 17 provides Post Licensing Transactions for Fiduciary Services Licensees for Q2 2018.

Q2 2018 Post Licensing Transactions	April	May	June	Final
Change in Authorised Agent	1	5	3	9
Change in undertaking	2	-	-	2
Change involving operation of a subsidiary, branch, agency or representative office	3	2	5	10
Change in Shareholding/Ownership	5	8	7	20
Merger	1	-	3	4
Change of Name	-	-	-	-
Change in Principal Office	1	2	3	6
Cancellation of Licence	2	2	3	7
Extension of Time to submit audited financial statements	-	-	19	19
Change of Auditor	1	1	3	5

Insolvency Services

Table 18 provides the Total Number of Insolvency Practitioners in the second quarter of the given year.

Total Number of Insolvency Practitioners (full and restricted licences)	
Q2 2018	27
Q2 2017	27
Q2 2016	24

Table 19 below indicates the total number of Insolvency Practitioners with a full and restricted licence.

Current No. insolvency Practitioners (IP) Licensees	Q2 2018	Q1 2018	Q2 2017
Current # of licence IP's (full licence)	27	27	27
Current # of licence IP's (restricted licence)	-	-	-
Total No. of IP's	27	27	27

Investment Business

Table 20 provides the Number of New Investment Business Licensees by Quarter.

	Q2 2018	Q1 2018	Q2 2017	Total as at 30 th June 2018
Investment Business Licences	1	1	-	410
Authorised Representatives	-	-	-	51
Approved Investment Managers	13	19	6	219

Table 21 below provides the number of Investment Business Licences by Sub-category as at the end of June 2018.

Investment Business Licence by Sub-category*	Total Licences at 30 th June 2018
Category 1 Sub-category A – Dealing as Agent	25
Category 1 Sub-category B – Dealing as Principal	29
Category 2 – Arranging Deals in Investments	21
Category 3 Sub-category A – Managing Segregated Portfolios (Excluding Mutual Funds)	8
Category 3 Sub-category B – Managing Mutual Funds	335
Category 3 Sub-category C – Managing Pension Schemes	4
Category 3 Sub-category D – Managing Insurance Products	1
Category 3 Sub-category E – Managing Other Types of Investment	48
Category 4 Sub-category A – Investment Advice (Excluding Mutual Funds)	35
Category 4 Sub-category B – Investment Advice (Mutual Funds)	10
Category 5 Sub-category A – Custody of Investments (Excluding Mutual Funds)	11
Category 5 Sub-category B – Custody of Investments (Mutual Funds)	1
Category 6 Sub-category A – Administration of Investments (Excluding Mutual Funds)	19
Category 6 Sub-category B – Administration of Investments (Mutual Funds)	52

* The number of Investment Business licenses as at 30 June was 410. (See table 20). Table 21 breaks down the number of Investment Business licenses into sub-categories. It is important to note that 1 Investment Business licence may fall under more than one sub-category.

Table 22 below details the Number of New Funds Registered by Quarter.

	Q2 2018	Q1 2018	Q2 2017	Total at 30 th June 2018
Professional	11	12	8	985
Private	6	5	-	339
Public	-	-	-	46
Foreign	-	-	-	6
Incubator	5	5	1	51
Approved	7	14	4	78
Total	29	36	13	1,504

Chart O indicates the Total Number of Active Mutual Funds for (2016 - 2018).

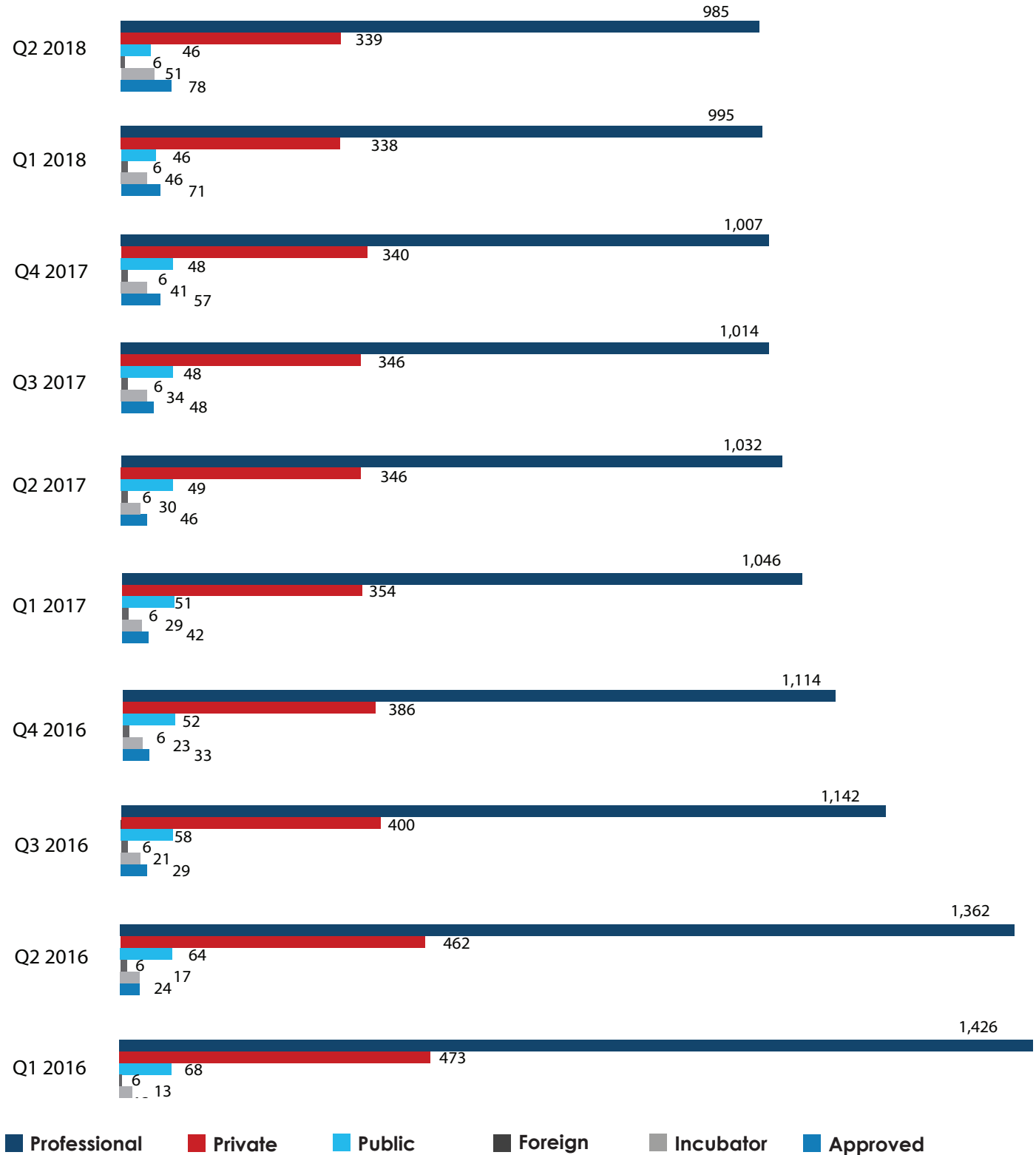


Table 23 below indicates the number of Mutual Funds Incorporated or Re-registered as an SPC.

	Q2 2018		Q1 2018		Q2 2017		Cumulative Totals (as at 30th June, 2018)
	Inc.*	Reg.*	Inc.	Reg.	Inc.	Reg.	
Certificates Granted- Professional Mutual Funds	-	-	2	-	-	1	99
Certificates Granted- Private Mutual Funds	-	-	-	-	-	-	28
Certificates Granted- Public Mutual Funds	-	-	-	-	-	-	6
Certificates Granted- Incubator	-	-	-	-	-	-	-
Total	-	-	2	-	-	1	133

* Inc. - Incorporated.

* Reg. - Registered

Insurance

Table 24 below indicates the Total Number of Insurers and Functionaries by Quarter.

Insurance Licensees and Functionaries	Q1 2018 Licensees	Q2 2018 Licences Issued	Q2 2018 Licences Cancelled	Licensees as at 30 th June 2018
Insurers				
Captive Insurers	-	-	3	98
Domestic Insurers	-	-	1	39
Functionaries				
Agents	-	-	-	15
Brokers	-	-	-	4
Insurance Managers	-	-	-	11
Loss Adjusters	-	-	-	3

There were no new insurers or functionaries registered in Q2 2018. The total number of Captive and Domestic Insurers decreased by 3 and 1 respectively in Q2 2018. The cumulative totals for all other Insurers and Functionaries remained the same from the previous quarter.

Table 25 below indicates the number of Insurance Post Licensing Transactions for Q2 2018.

Insurance Q2 2018 Post Licensing Transactions	Total
Approval of Letter of Credit/Prepaid Reinsurance/Deferred Acquisition Cost/Promissory Notes as Allowable Assets	4
Approval of Liquidation and Liquidator	1
Approval/Change in Auditor	1
Approval for a Loss Adjuster's Licence	9
Approval for the Transfer of Shares/Re-organisation of ownership structure	2
Cancellation of Licence- Insurers	4
Extension of Time to Submit Audited Financial Statements	3
Exemption from Preparing and Submitting Audited Financial Statements	6
Variation/Conversion of Licence	2
Extension to Comply with Licensing Requirements	1
Rescission of Approval Granted	1

The following tables provide details on Insurance claims opened and settled for the three major natural disasters in 2017.

Table 26 below provides the Total Insurance Claims Opened and Closed for 2017 Natural Disasters as at 30th June 2018

Event	Total Claims	Total Claims Closed	%Claims Closed	Total Claims Open	%Claims Open	Total Claimed	Total Reserves	Total Paid
August 7th, 2017 Flood	370	272	74%	98	26%	\$2,423,003.00	\$8,407,199.83	\$6,274,267.05
Hurricane Irma	7877	6890	87%	987	13%	\$540,413,970.80	\$590,129,151.16	\$535,958,623.22
Hurricane Maria	2995	2668	89%	327	11%	\$80,526,892.25	\$83,938,957.00	\$61,976,819.00
Total	11242	9830	87%	1412	13%	\$623,363,866.05	\$682,475,307.99	\$604,209,709.27

Table 27 below provides Insurance Claims Paid by class of Insurance for 2017 Natural Disasters as at 30th June 2018.

Event	Class of Insurance	Total Claimed	Total Reserves	Total Paid
August 7th, 2017 Flood	Motor	\$452,593.00	\$1,014,372.79	\$874,385.06
	Property/Homeowners/ Personal Property	\$1,970,410.00	\$2,717,957.00	\$2,234,561.06
	Garage Policy	-	-	\$2,500.00
	Commercial Property	-	\$4,136,520.04	\$2,882,524.69
	Marine	-	\$63,350.00	\$75,240.00
	Jewelers	-	\$25,000.00	\$24,400.00
	Contract Works	-	\$450,000.00	\$180,656.24
	Office Policy	-	-	-
Total		\$2,423,003.00	\$8,407,199.83	\$6,274,267.05
Event	Class of Insurance	Total Claimed	Total Reserves	Total Paid
Hurricane Irma	Motor (including commercial and personal motor)	\$13,379,272.94	\$16,652,955.60	\$23,231,228.39
	Property/Homeowners/ Personal Property	\$234,510,813.17	\$277,319,244.62	\$303,748,611.66
	Marine	\$16,755,865.64	\$20,493,275.89	\$41,988,467.71
	Commercial Property	\$275,768,019.05	\$275,663,675.05	\$166,990,315.46
Total		\$540,413,970.80	\$590,129,151.16	\$535,958,623.22
Event	Class of Insurance	Total Claimed	Total Reserves	Total Paid
Hurricane Maria	Motor	\$7,825,254.00	\$8,129,109.00	\$7,111,143.00
	Property	\$68,555,860.00	\$72,040,833.00	\$52,359,867.00
	Marine	\$4,145,778.25	\$3,769,015.00	\$2,505,809.00
Total		\$80,526,892.25	\$83,938,957.00	\$61,976,819.00
Grand Total		\$622,363,866.05	\$682,475,307.99	\$604,209,709.27

Total Reserves as shown above refers to the money that is earmarked for the eventual claim payment. In some instances total paid exceeded total claims where claims were re-opened and reassessed. Information was not provided where dashes are indicated.

Approved Persons Unit

The Approved Persons Unit falls under the office of the Deputy Managing Director, Regulation and primarily processes applications of senior officers, including directors, compliance officers and money laundering reporting officers (MLROs). Table 28 below indicates the number of approved persons appointments for Q2 2018.

Table 28 Approved Persons Appointments.

2018 Approved Persons Appointments	
Transaction	Total
Appointment of Director	50
Appointment of Compliance Officer	7
Appointment of Compliance Officer and Money Laundering Reporting Officer	6
Appointment of Senior Officer	10
Appointment of Auditor	4

Enforcement

The Enforcement Committee is responsible for determining and administering enforcement action on licensees for any contravention or breach of financial services legislation. Enforcement actions range from warning letters to complete licence revocation. In Q2 2018 there was a total of 5 enforcement actions levied; 1 administrative penalty, 1 public statement, 1 licence revocation and 2 strongly worded letters were levied against licensees.

Onsite Inspections

Onsite inspections are conducted by the Compliance Inspection Unit. The Unit conducts full scope and thematic inspections on all licensees on a periodic basis. The Onsite Inspection Programme is ongoing. The total number of inspections conducted and concluded in 2017 was nine (9) as the inspection schedule was deferred due to business interruptions as a result of the passage and devastating effects of hurricanes Irma and Maria in the 3rd Quarter of 2017. Inspections have been deferred to Q3 2018.

Chart P below indicates the total number of inspections conducted from 2014-2017 for which close-out meetings were held in the given year.

Total Number of Inspections Conducted from 2014-2017



A larger than usual number of inspections were conducted in 2014. The Commission conducted a series of 49 focused thematic inspections on Introduced Business and Beneficial Ownership Information. Inspections for 2018 commence in Q3 2018.

Ongoing Supervision

The Licensing and Supervisory Committee's (LSC) functions are to receive, review and determine applications for authorisations, licences, registration and recognitions under any Financial Services legislation. The LSC supervises regulated persons to ensure that they continue to satisfy the fit and proper criteria for the conduct of financial services business. Table 29 below indicates the number of matters brought to the LSC by the various Divisions within the Commission.

Table 29 below indicates the number of Matters Referred to the LSC in Q1 2018.

Matters Referred to LSC in Q2 2018*				
	April	May	June	Total
Banking, Insolvency and Fiduciary**	44	32	59	135
Investment Business	17	18	22	57
Insurance	16	13	23	52
Policy, Research & Statistics	-	-	-	-
Registry***	-	-	-	-

*Figures include a series of approvals, refusals and cancellations reviewed by the Licensing and Supervisory Committee

**The Insolvency Division merged with the Banking and Fiduciary Services Division in February 2016.

***Since the enactment of the Trade Marks legislation, decisions such as applications to become a Trade Mark Agent are decided at the LSC.

International Cooperation

Table 30 below records the number of incoming and outgoing requests for information. Requests are classified as formal or informal. Within the context of the Financial Services Commission's International Cooperation obligations, formal requests for information refers to requests for information made or received consistent with a specific MoU or MMoU signed by the Financial Services Commission and a foreign regulatory authority and other requests made or received where there is a duty to cooperate requiring the sharing of documents and information permitted under the BVI Financial Services Commission Act, 2001 (as amended).

Table 30 Incoming and Outgoing Requests for Information.

Legal and Enforcement Division Statistics			
	Q2 2018	Q1 2018	Q2 2017
Formal Incoming Requests	44	22	19
Informal Incoming Requests	9	3	4
Formal Outgoing Requests	5	-	1
Informal Outgoing Requests	1	-	-

