



# Financial Services Commission

## Statistical Bulletin

Vol. 4 September 2006

Legal & Enforcement

Insolvency Services

Banking & Fiduciary

Investment Business

Insurance

ROCA

### Introduction

The British Virgin Islands Financial Services Commission (FSC) strives to keep the industry and general public informed about how we are serving you. The FSC's Statistical Bulletin is just one mechanism by which the FSC communicates the progress that has been made within several different sectors of our industry.

We believe that having useful and accurate information about the services we provide is of utmost importance. We hope this bulletin helps you with your business endeavours and informs you about the progress we are making.

### Legal/Enforcement and International Cooperation

During the 3rd quarter of 2006 the Legal and Enforcement Division responded to nine (9) requests for assistance from foreign regulatory and law enforcement authorities which generally related to due diligence inquiries.

Enforcement action was taken in eleven cases and in all instances the contravention was minor and only resulted in the issuance of warning letters by the Commission. No advisory notices were issued in the 3rd quarter.

The Division also provided legal support to the Commission's regulatory and support divisions in 82 matters.

Legal and Enforcement Division			
	Quarter 3 2006	Quarter 2 2006	Quarter 1 2006
<b>International Co-operation</b>			
Matters			
Formal Requests*	4	3	9
Informal Requests**	5	5	6
Enforcement Matters	11	8	8
Advisory Warnings	0	0	1

\* requires the disclosure of non-public information

\*\* requires the disclosure of public information

### Insolvency Services

The Insolvency Services Division did not licence any new insolvency practitioners during the third quarter of 2006, therefore the total number of licensed insolvency practitioners stood

at 16 at the end of September 2006.

The Official Receiver was not appointed by the Court to any further insolvency cases in the third quarter.



### About the Commission

The Financial Services Commission Act, 2001 which came into force on 1 January, 2002, established the Financial Services Commission.

The Commission is an autonomous regulatory authority responsible for the regulation, supervision and inspection of all financial services in and from within the British Virgin Islands.

### Hours of Operation

8:30 a.m. to 4:30 p.m.  
Monday through Friday

### Enquiries

Telephone (284) 494-4190  
Fax (284) 494-5016  
E-mail us at [enquiries@bvifsc.vg](mailto:enquiries@bvifsc.vg) or visit us on the web at [www.bvifsc.vg](http://www.bvifsc.vg)

### On-going Supervision

#### On-site Inspections (Insurance Managers)

- Overall Compliance
- Books and Records

Matters Approved by LSC

Matters Refused by LSC

4  
4

280

2

## Banking & Fiduciary Services

In the third quarter of 2006 only two (2) new licences were granted - one (1) general trust and one (1) restricted trust.

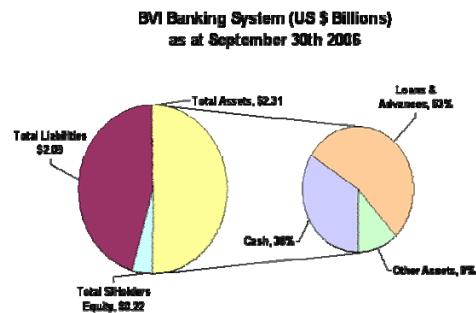
No new bank licences were granted and none were surrendered, therefore the total number of banks operating in and

from within the BVI remained at nine at the end of the 3rd quarter.

Total assets and liabilities in the banking sector were approximately US\$2.31 billion and US\$2.09 billion respectively, a slight decrease from the 2nd quarter 2006.

<b>Banking and Fiduciary Services</b>					
	<b>Quarter 3 2006</b>	<b>Quarter 2 2006</b>	<b>Quarter 1 2006</b>	<b>Quarter 3 2005</b>	<b>Cumulative* as at 30 September, 2006</b>
General Banking	0	0	1	0	6
Restricted Class 1 Banking		0	0	0	3
General Trust	1	2	3	3	101
Restricted Trust	1	4	2	3	108
Company Management	0	0	1	0	20
Authorised Custodian	0	0	1	2	4
Registered Agents	-	-	-	-	109

\* These figures reflect new licences granted and licences: renewed, surrendered and not-renewed.  
In the third quarter 2006 no licences were either surrendered or not renewed.



## Investment Business

95 certificates of recognition and registration were granted in the third quarter. Of these, 10 were public funds, 63 were professional funds and 22 were private funds.

Professional funds recognised in the 3rd quarter were on par with 2nd quarter recognitions. Public funds registered however, increased compared with 2005 and the earlier 2nd quarter 2006 registrations.

Segregated portfolio activity for the third quarter included the incorporation of eight (8) new funds and the re-registration of two (2) existing funds.

A total of 15 mutual funds (seven (7) private, seven (7) professional and one (1) public) were incorporated or re-registered as

### Investment Business Division Statistics

	<b>Quarter 3 2006</b>	<b>Quarter 2 2006</b>	<b>Quarter 1 2006</b>	<b>Quarter 3 2005</b>	<b>Cumulative* as at 30 June, 2006</b>
Managers	18	19	18	15	460
Administrators	1	0	0	0	37
Managers & Administrators	0	0	0	0	50
Professional	63	70	83	71	1,503
Private	22	24	24	22	826
Public	10	1	5	7	210

\* These figures represent active entities.

Segregated Portfolio Companies under the BVI Business Companies Act at the end of the 3rd quarter.

18 new mutual fund managers were licensed during the third quarter.

## Insurance

Three (3) new captive insurers were licensed during the third quarter of 2006, however no new licences were issued to Domestic Insurers.

The FSC also approved the creation of one new segregated portfolio within an existing SPC. No new insurance manager licences were issued.

	Insurance Industry				Cumulative <sup>a</sup> as at 30 September, 2006
	Quarter 3 2006	Quarter 2 2006	Quarter 1 2006	Quarter 3 2005	
Captive Insurers	3	5	6	12	354
Domestic Insurers	0	1	0	0	28
Insurance Managers	0	0	0	2	22

## Registry of Corporate Affairs

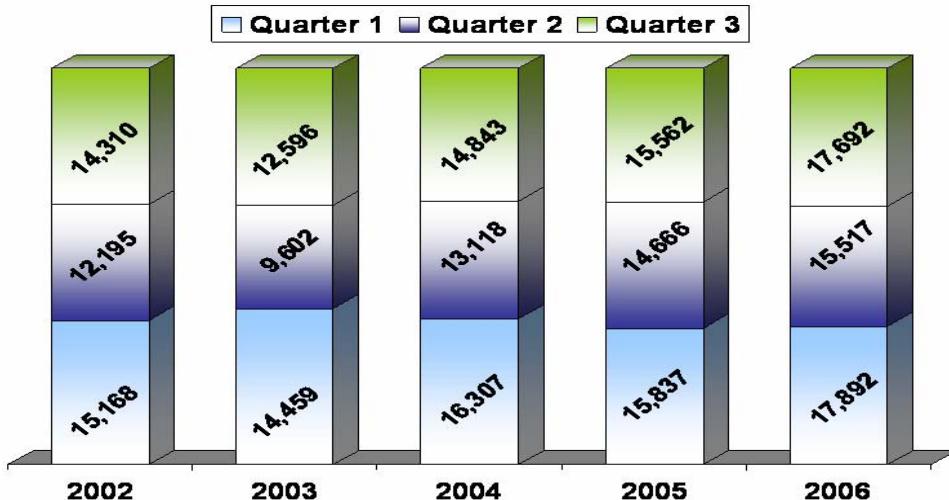
Approximately 17,700 BVIBCs were incorporated in the third quarter of 2006, representing the highest number of third quarter incorporations over the five year period 2002-2006.

This figure signified a 14 percent increase from second quarter 2006 and an 11 percent increase compared to the same period last year. The number of re-registrations of IBCs in the third quarter totalled 1,644.

	Registry of Corporate Affairs				Cumulative <sup>a</sup> as at 30 September, 2006
	Quarter 3 2006	Quarter 2 2006	Quarter 1 2006	Quarter 3 2005	
Business Companies	17,692	15,517	17,892	378	54,787
IBC's	-	-	-	15,154	687,422 <sup>b</sup>
Local Companies (Cap 285)	-	-	-	30	10,664
Limited Partnerships	11	29	17	8	415
Number of Dissolutions	1,213	1,079	1,141	938	41,395
Re-registrations –					
IBC's	1,644	489	264	1	2,485
Local Co's	13	11	7	0	34

\* This figure includes inactive companies.

## Comparison of Incorporations (2002-2006)



The Commission expects this number to increase in the fourth quarter as the deadline for voluntary re-registration approaches.

The quarterly incorporation figures include IBCs and local companies and the 2005 and 2006 figures also include BVI Business Companies