

**CHAPTER 154  
MUTUAL FUNDS ACT**

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• Act • Subsidiary Legislation •

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**ACT**

Act No. 6 of 1997

**Amended by**

Act No. 12 of 1998

Act No. 23 of 2005

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**CHAPTER 154**  
**MUTUAL FUNDS ACT**

**An Act to provide for the regulation authorisation and Control of mutual funds and their managers and administrators carrying on business in or from within Saint Vincent and the Grenadines, and for matters connected therewith or incidental thereto.**

**Be it enacted by the Queen’s Most Excellency Majesty, by and with the advice and consent of the House of Assembly of Saint Vincent and the Grenadines and by the authority of the same, as follows.**

[Act No. 6 of 1997 amended by Act No. 12 of 1998, Act No. 23 of 2005.]

[Date of commencement: 29th January, 1999.]

*Preliminary*

**1. Short title and commencement**

This Act may be cited as the Mutual Funds Act, 1997, and shall come into force on such date as the Governor-General may appoint by Proclamation published in the *Gazette*.

**2. Interpretation**

(1) In this Act, unless the context otherwise requires—

**“accredited fund”** means a mutual fund—

- (a) the shares of which are made available only to accredited investors and the initial investment in which, in respect of the majority of such investors, is not less than twenty-five thousand dollars per investor in the United States currency; provided, such minimum investment threshold shall not apply in respect of an investment made by the manager, administrator, promoter or underwriter of the fund; or
- (b) which is designated as an “accredited fund” by regulations;  
[Definition of “accredited fund” inserted by Act No. 12 of 1998.]

**“accredited investor”** means a person—

- (a) whose ordinary business involves, whether for its own account or the accounts of others, the acquisition or disposal of property of the same kind as the property, or a substantial part of the property, of the fund; or
- (b) who has signed a declaration that it or he, whether individually or jointly with his spouse (as applicable), has net worth in excess of one million dollars in the United States currency or its equivalent in any other currency and that it or her consents to being treated as an accredited investor;  
[Definition of “accredited investor” inserted by Act No. 12 of 1998.]

**“administrator”** means a person who—

- (a) for valuable consideration provides a mutual fund with administrative services alone or together with accounting services; or
- (b) is entitled to provide to mutual funds (by whatever name called) such services and facilities as provided in paragraph (a) under the laws of a recognised Country or Jurisdiction;  
[Definition of “administrator” amended by Act No. 12 of 1998.]

**“auditor”** means a person who is entitled to practise as public accountant and to perform audits under the laws of Saint Vincent and the Grenadines or of a recognised Country or Territory or has qualified as an accountant and auditor by examination of one of the Institutes of Chartered Accountants in England and Wales, Ireland and Scotland, or the Canadian Institute of Chartered Accountants or the American Institute of Certified Public Accountants, and who is a current member of good standing of one of the above institutes;

[Definition of “auditor” substituted by Act No. 12 of 1998.]

**“Authority”** means the Saint Vincent and the Grenadines International Financial Services Authority established by section 3 of the Saint Vincent and the Grenadines International Financial Services Authority Act, 1996;

[Chapter 108.]

**“company”** means a body corporate, wherever incorporated or constituted;

**“constituted”** means—

- (a) in the case of a company, incorporated under the Companies Act, 1994, or under the International Business Companies Act, 1996;
- (b) in the case of a trust, settled by deed or agreement which chooses the law of the State as the proper law; or
- (c) in the case of a partnership, formed or established under the laws of the State;

[Chapter 143, Chapter 148. Definition of “constituted” inserted by Act No. 12 of 1998.]

**“constitutional documents”** means—

- (a) in the case of a company, the articles of incorporation, memorandum and articles of association or other instrument of incorporation;
- (b) in the case of a partnership, the agreement or other instrument by which the partnership is formed and governed;
- (c) in the case of a unit trust, the trust deed or other instrument by which the unit trust is organised or governed;

[Definition of “constitutional documents” inserted by Act No. 12 of 1998.]

**“custodian”** means the person who holds any of the assets of the mutual fund in safe keeping;

[Definition of “custodian” inserted by Act No. 12 of 1998.]

**“existing entity”** means—

- (a) a public fund;
- (b) a private or accredited fund; or
- (c) a manager or administrator,

which was carrying on its business or, in the case of a public, a private, or an accredited fund, was managing or administering its affairs in or from within the State immediately before the coming into force of this Act;

[Definition of “existing entity” amended by Act No. 12 of 1998.]

**“financial year”** means the period not exceeding twelve months at the end of which the balance of the accounts is struck, and may be up to eighteen months in the case of the first or last period or when the period is changed;

[Definition of “financial year” substituted by Act No. 12 of 1998.]

**“investor”**, in respect of a mutual fund, means the legal holder of record or legal holder of a bearer instrument representing a share issued by a mutual fund, but does not include a promoter of or a professional adviser to that fund;

[Definition of “investor” substituted by Act No. 12 of 1998.]

**“manager”** means a person, not being an officer or an employee of a person licensed under this Act or mutual fund which has delegated management functions to a person licensed under this Act, who—

- (a) for valuable consideration, provides a mutual fund with management services alone or together with investment advice or administrative services; or

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- (b) is entitled to provide to mutual funds (by whatever name called), such services or advice as provided in paragraph (a) under the laws of a recognised Country or Jurisdiction;

[Definition of “manager” amended by Act No. 12 of 1998.]

“**Minister**” means the Minister for Finance;

“**mutual fund**” or “**fund**” means a company incorporated, a partnership formed, a unit trust organised or other similar body formed or organised under the laws of the State or of any other Country or Jurisdiction which—

- (a) collects and pools investor funds for the purpose of collective investment; and
- (b) issues shares (as herein defined) that entitle the holder to receive on demand or within a specified period after demand an amount computed by reference to the value of a proportionate interest in the whole or in a part of the net assets of the company, the partnership, the unit trust or other similar body, as the case may be, and includes—
- (i) an umbrella fund whose shares are split into a number of different class funds or sub-funds, and
- (ii) a fund which has a single investor which is a mutual fund not registered or recognised under this Act,

but excludes activities licensed under the Banking Act, the International Banks Act, 1996, and the Insurance Act, as each of the same may have been or may be amended, unless the Authority determines otherwise, and any arrangements which are designated by the regulations as not being mutual funds;

[Chapter 87, Chapter 99. Definition of “mutual fund” amended by Act No. 12 of 1998.]

“**officer**” includes—

- (a) a Director, Alternate Director, the President, a Vice President, and any other person designated as an officer of a company by by-law, by resolution of the directors or by any other instrument;
- (b) a general partner of a partnership; or
- (c) a trustee of a unit trust;

[Definition of “officer” amended by Act No. 12 of 1998.]

“**partnership**” means a contractual relation which subsists between persons carrying on a business in common with a view of profit and includes a partnership formed under the laws of the State or of any other Country or Jurisdiction notwithstanding any statutory definition thereof to the contrary;

[Definition of “partnership” amended by Act No. 12 of 1998.]

“**person**” includes an individual natural person, a mutual fund, any company, partnership, unit trust or trustee, or other legal or juridical entity recognised under the laws of any Country or Jurisdiction;

[Definition of “person” amended by Act No. 12 of 1998.]

“**private fund**” means a mutual fund—

- (a) the constitutional documents of which specify that it will have no more than fifty investors;

- (b) the constitutional documents of which specify the making of an invitation to subscribe for or purchase shares issued by the mutual fund is to be made on a private basis, which shall include—
- (i) an invitation made to specified persons and is not calculated to result in shares becoming available to other persons or to a large number of investors, or
  - (ii) by reason of a private or business connection between the person making the invitation and the investor; or
- (c) which is designated as a private fund by the regulations;  
[Definition of “private fund” substituted by Act No. 12 of 1998.]

**“professional advisor”** means a barrister, a solicitor, an attorney-at-law, a lawyer, a certified public accountant or chartered accountant, or an auditor;

[Definition of “professional advisor” inserted by Act No. 12 of 1998.]

**“promoter”** means a person acting alone or in conjunction with others directly or indirectly who takes the initiative in forming or organising the business of a mutual fund, but does not include an underwriter who receives only a underwriting commission without taking any part in the founding or organising of the mutual fund business or a professional advisor acting for or on behalf of such a person;

[Definition of “promoter” amended by Act No. 12 of 1998.]

**“prospectus”** means any prospectus or similar document the purpose of which is to make an invitation to the public or any section thereof to subscribe for or purchase shares issued by a mutual fund;

[Definition of “prospectus” substituted by Act No. 12 of 1998.]

**“public fund”** means a mutual fund which is not a private fund or an accredited fund;

[Definition of “public fund” substituted by Act No. 12 of 1998.]

**“recognised Country or Jurisdiction”** means any Country or Jurisdiction recognised by the Minister under subsection (3);

**“Registrar”** means the Registrar of Mutual Funds appointed under this Act or such other person as may be performing the duties of the Registrar under this Act;

[Definition of “Registrar” amended by Act No. 12 of 1998.]

**“regulations or the regulations”** means regulations made under this Act;

**“security”** means any document or instrument constituting evidence of title to or interest in the capital assets, property, profits, earnings or royalties of any person, as herein defined, and includes—

- (a) bonds, debentures, notes, mortgages and other evidence of indebtedness;
- (b) any share, stock, document or instrument commonly known as a security; and
- (c) any document or instrument constituting evidence of an option, subscription or other interest in a security or constituting evidence of an interest in an association of legatees or heirs;

**“share”** means share in the share capital of a mutual fund company and includes an interest in a mutual fund partnership and a unit in a mutual fund unit trust;

**“State”** means the State of Saint Vincent and the Grenadines;

“**underwriter**” means a person who—

- (a) as principal, agrees to purchase shares issued by mutual funds with a view to offering them to the public; or
- (b) as agent for a mutual fund, offers for sale or sells to the public shares issued by the mutual fund;

“**unit trust**” means an arrangement creating a trust under the laws of the State or of any other country or jurisdiction in which unit holders participating in the arrangement are the beneficiaries of the trust.

[Definition of “unit trust” amended by Act No. 12 of 1998.]

(2) In this Act—

- (a) every company incorporated and every partnership formed or unit trust organised under the laws of the State for the purpose of carrying on business as a mutual fund, a manager or administrator shall, if carrying on business anywhere outside of the State be deemed to be carrying on business from within the State;
- (b) the expression “**carrying on business from within the State**” includes carrying on business outside the State from a place of business or a registered office within the State;
- (c) a mutual fund which is not incorporated, formed, organised or carrying on its business in or from within the State shall be deemed to be carrying on business in the State if it solicits a person within the State to purchase its shares, except where the purchase is a result of an approach made by the person without any solicitation being made.

[Paragraph (c) inserted by Act No. 12 of 1998.]

(3) The Minister may recognise any Country or Jurisdiction for the purposes of this Act and shall cause a notice of such recognition to be published in the *Gazette*.

## PART I

### *Administration*

#### **3. Appointments**

(1) The Authority shall, with the approval of the Cabinet, appoint a Registrar of Mutual Funds and a Deputy Registrar of Mutual Funds.

(2) The Authority may appoint such other staff as it may deem necessary to administer this Act.

(3) The Registrar has—

- (a) the duty to supervise mutual funds and managers and administrators in accordance with the Act;
- (b) in and for the discharge of that duty, the powers conferred upon him by this Act;
- (c) the power to prescribe such forms as he considers necessary for the purposes of this Act or the regulations; and

[Paragraph (c) inserted by Act No. 12 of 1998.]

- (d) the authority to issue directives and policy guidelines for the purposes of this Act or the regulations.

[Paragraph (d) inserted by Act No. 12 of 1998.]

(4) The Registrar may, upon request by any person to whom this Act applies and the payment of the fee set out in Part I of the First Schedule to the Regulations or such other amount as may be prescribed by regulations, issue to such person a certificate of compliance in such form as the Registrar thinks fit.

(5) The Registrar, the Deputy Registrar or any employee of the office of the Registrar shall not, knowingly, have any financial interest in any person registered, recognised or licensed under this Act.

#### **4. Delegation of power**

(1) The authority may in writing delegate any of the powers conferred upon it by this Act to the Registrar and thereupon this Act shall be read as if those powers were originally conferred upon the Registrar.

(2) The Registrar may delegate any of his powers or duties under this Act to the Deputy Registrar and thereupon this Act shall be read as if those powers or duties were originally conferred or imposed upon the Deputy Registrar.

#### **5. Annual report**

(1) The Registrar shall, on or before the 31st day of December in each year, prepare and deliver to the Authority a report consisting of—

- (a) a summary of the nature and number of—
- (i) filings made under this Act,
  - (ii) registrations, recognitions and licences granted under this Act,
  - (iii) enforcement proceedings or disciplinary measures taken under this Act; and
- (b) a general commentary on the law relating to the mutual funds industry on the practice and development of that law.

(2) On receiving the report delivered to it pursuant to subsection (1), the Authority shall submit the report to the Minister.

#### **6. Records of the Registrar**

(1) The Registrar shall keep separate registers for all—

- (a) registered public funds;
- (b) recognised private or accredited funds; and
- (c) licensed managers and administrators.

[Subsection (1) amended by Act No. 12 of 1998.]

(2) The registers required under subsection (1) shall show—

- (a) the information required under section 26(a), (b) and (c) with respect to each registered public fund, recognised private or accredited fund and licensed manager or administrator;
- (b) the date of registration, recognition or licence, as the case may be; and

- (c) the status of such registration, recognition or licence if cancelled and the date thereof.

(3) Registers kept by the Registrar shall be in such form as he may determine and, subject to section 38, shall be open to public inspection during ordinary office hours on payment of an inspection fee of twenty-five dollars or such other amount as may be prescribed by regulations.

## **7. Advisory Role of the Authority**

The Authority shall—

- (a) advise the Minister on any matter referred to it by him relating to the mutual funds industry;
- (b) on its own motion report and make recommendations to the Minister on any matter relating to mutual funds as it sees fit; and
- (c) have power to establish—
  - (i) its own working rules and procedures, and
  - (ii) as many subcommittees as it thinks necessary.

## PART II

### *Public Funds*

## **8. Registration**

No public fund shall carry on its business or manage or administer its affairs in or from within the State unless it is registered under this Act.

[Section 8 amended by Act No. 12 of 1998.]

## **9. Application for registration**

(1) A public fund may apply to the Authority for registration to carry on business in or from within the State.

(2) An application shall be—

- (a) made in the form and contain the information as set out in the regulations; and
- (b) accompanied by—
  - (i) a statement setting out the nature and scope of the business to be carried on by the applicant in or from within the State including the name of any other country or jurisdiction where the applicant is carrying on or intends to carry on business,
  - (ii) the application fee set out in Part II of the First Schedule to the Regulations or such other amount as may be prescribed by regulations,
  - (iii) the constitutional documents by which the applicant is constituted or such other proof as may be satisfactory to the Authority that the applicant is lawfully constituted under the laws of the State or of any other country or jurisdiction,

- (iv) the notices required under section 26, and
- (v) such other documents or information as the Authority may reasonably require for the purpose of determining the application.

[Section 9 amended by Act No. 12 of 1998.]

#### **10. Application for consent to be registered**

(1) The promoters of a public fund that is proposed to be formed, may apply to the Authority for its consent to register such proposed public fund upon being lawfully constituted under the laws of the State or of any other country or jurisdiction and upon complying with the requirements of this Act.

(2) An application for consent under subsection (1) shall be—

- (a) in the form prescribed in the regulations; and
- (b) accompanied by the application fee set out in Part II of the First Schedule to the Regulations or such other amount as may be prescribed by regulations.

[Subsection (2) amended by Act No. 12 of 1998.]

(3) The consent of the Authority shall be—

- (a) in such form as the Authority may direct; and
- (b) valid for a period of three months from the date it is granted subject to there being no change, that the Authority considers material, in any of the particulars contained in the application for consent.

(4) The promoters of a proposed public fund may, prior to the expiry of the three months period referred to in subsection (3)(b), apply for the renewal of the Authority consent subject to—

- (a) supplying such documents or information as the Authority may require; and
- (b) the payment of the application fee required under subsection (2)(b).

[Subsection (4) amended by Act No. 12 of 1998.]

#### **11. Power to grant registration or consent**

(1) The Authority may, with the written approval of the Minister grant or refuse to grant—

- (a) registration under section 9; or
- (b) its consent under section 10.

(2) Notwithstanding subsection (1), the Authority shall refuse to grant registration or its consent, as the case may be, if—

- (a) the public fund has a name which is undesirable or misleading;
- (b) the public fund does not have a custodian who is functionally independent of the manager or administrator; or
- (c) it determines that it is not in the public interest that such registration or consent should be granted.

[Subsection (2) substituted by Act No. 12 of 1998.]

(3) Except as provided in section 32, where the Authority, refuses to grant registration or its consent, it shall not be bound to assign any reasons for its refusal which shall not be subject to appeal or review in any court.

## **12. Registration procedure**

(1) Where the Authority grants registration pursuant to section 9 it shall direct the Registrar accordingly and the Registrar shall—

- (a) register the public fund in the register maintained by him for the purpose under section 6; and
- (b) issue a certificate to the registered public fund as directed by the Authority showing the date of registration.

(2) Where the Authority grants its consent under section 10, the promoters of the proposed public fund shall, within the three months period referred to in section 10(3)(b) from the date of granting such consent or the renewal thereof, deliver to the Registrar—

- (a) the consent of the Authority;
- (b) satisfactory proof that the proposed public fund is lawfully constituted in the State or elsewhere;
- (c) the application fee required under section 9(2)(b)(ii);
- (d) the notices referred to in section 9(2)(b)(iv).

(3) If the Registrar is satisfied that the proposed public fund has complied with the requirements of subsection (2), he shall register the public fund and issue to it a certificate of registration in accordance with the procedure set out in subsection (1).

(4) The Registrar shall refuse to register the proposed public fund if he determines that—

- (a) its registration has not received the consent of the Authority pursuant to section 10; or
- (b) it has not complied with any of the requirements of subsection (2).

(5) Any person aggrieved by a decision of the Registrar under subsection (4) may appeal to the Authority whose decision shall be final.

## **13. Accounting records and financial statements**

(1) Every registered public fund shall—

- (a) maintain adequate accounting records and prepare financial statements in respect of each financial year in accordance with generally accepted accounting principles; and
- (b) keep such accounting records and financial statements available for examination by the Registrar or any person authorised by the Authority—
  - (i) its place of business or registered office in the State, or
  - (ii) such other place as its officers may see fit, provided that copies of such records and statements or such other documents or information as the registrar may consider adequate are kept at its place of business or registered office in the State.

[Subsection (1) amended by Act No. 12 of 1998.]

(2) The financial statements required under subsection (1) shall be—

- (a) audited by an auditor acceptable to the Registrar (in this Act called “the approved auditor”) in accordance with generally accepted auditing standards;
- (b) accompanied by the report of the approved auditor thereon which shall include a statement of the accounting principles under which statements have been prepared and a statement of the auditing standards which have been applied I the audit of such statements; and
- (c) provided to or made available for examination by all investors of the registered public fund.

[Subsection (2) amended by Act No. 12 of 1998.]

#### **14. Duty to publish and file a prospectus**

(1) No registered public fund shall in or outside the State make an invitation to the public or any section thereof to purchase its shares, unless prior to such invitation it publishes in writing a prospectus signed by or on behalf of the board of directors (by whatever name called) or, in the case of a partnership, unit trust or similar body, the equivalent governing body of the fund which approved the contents of the prospectus or authorised its publishing, and files a copy thereof with the Registrar.

[Subsection (1) amended by Act No. 12 of 1998.]

(2) Every prospectus shall—

- (a) provide full and accurate disclosure of all such information as investors would reasonably require and expect to find for the purpose of making an informed investment decision;
- (b) contain a summary statement of investors’ rights as provided in section 16; and
- (c) be accompanied by or contain reference to the availability of the financial statements for the last financial year of the fund and the auditor’s report thereon if the fund has completed a financial year in operation.

[Subsection (2) amended by Act No. 12 of 1998.]

(3) . . . . .

[Subsection (3) repealed by Act No. 12 of 1998.]

(4) If all or any part of the prospectus is not in the English language, the Registrar may require that an English translation of the prospectus or that part of the prospectus, verified in a manner satisfactory to him, be filed along with the prospectus.

(5) Where in a prospectus any of the disclosures required under subsection (2)(a) ceases to be accurate in a material particular, the registered public fund shall within fourteen days of the change occurring publish an amendment thereto giving accurate disclosures and provide a copy thereof to each of its investors and to the Registrar.

[Subsection (5) amended by Act No. 12 of 1998.]

#### **15. Certificate of compliance**

(1) Every registered public fund, wherever it is constituted, which carries on business outside the Territory under the laws of another country or jurisdiction, shall every year, within three months of the end of its financial year, file with the Registrar a certificate of

compliance from the competent authority that is responsible for the regulations and supervision of the conduct of its business in that other country or jurisdiction.

[Subsection (1) renumbered as such and amended by Act No. 12 of 1998.]

(2) A registered public fund to which subsection (1) applies is deemed to have complied with that subsection if it is proven to the satisfaction of the Registrar that the required certificate could not be obtained for reasons beyond the control of the fund.

[Subsection (2) inserted by Act No. 12 of 1998.]

(3) Where a registered public fund which carried on business outside the State carried on business in more than one Country or Jurisdiction other than the State, the certificate required to be filed under subsection (1) shall be from the competent authority in the County or Jurisdiction in or from which it carries on its principal business.

[Subsection (3) inserted by Act No. 12 of 1998.]

## 16. Investors' rights

(1) If a registered public fund publishes a prospectus or any amendment thereto that contains misrepresentation relating to any of the disclosures required under section 14(2)(a), a person who purchased any shares pursuant to such prospectus or amendment thereto is deemed to have relied upon the misrepresentation and shall have the rights to provided in subsection (2).

(2) A person referred to in subsection (1) may elect to exercise a right of action—

- (a) for the rescission of the purchase; or
- (b) for damages,

jointly and severally against the fund, and every member of the board of directors (by whatever name called) or, in the case of a partnership, unit trust or other similar body, every member of the equivalent governing body who, while aware of the misrepresentation, or would have been aware of the misrepresentation had he made reasonable investigations consistent with his duties, authorised the signing of or approved the prospectus or amendment thereto and consented to its publication and filing or caused it to be signed or published and filed.

[Subsection (2) amended by Act No. 12 of 1998.]

(3) For the purposes of this section, “**misrepresentation**” means—

- (a) an untrue or misleading statement of any of the disclosures required under section 14(2)(a); or
- (b) an omission to disclose any of such disclosures.

(4) No person is liable under this section if he proves that the purchaser purchased the shares offered by the prospectus or amendment thereto with knowledge of the misrepresentation.

(5) The right of action for recession or damages conferred by subsection (2) is in addition to and without derogation from any other right the plaintiff may have at law.

## 17. Limitation of action and amount recoverable

(1) Notwithstanding any provision of law to the contrary, any action pursuant to section 16(2) may not be commenced after—

- (a) one hundred and eighty days from the day that the plaintiff first had knowledge of the misrepresentation; or
- (b) one year from the date of the purchase transaction that gave rise to the cause of action,

whichever is earlier.

(2) In any action under section 16(2), the amount recoverable shall not exceed the amount for which the shares were purchased or subscribed, including any fees or other charges paid by the plaintiff.

[Subsection (2) amended by Act No. 12 of 1998.]

### PART III

#### *Private and Accredited Funds*

#### **18. Recognition**

(1) Subject to subsection (2), no private or accredited fund shall carry on its business or manage or administer its affairs in or from within the State unless it is recognised under this Act.

(2) An accredited fund may carry on its business or manage or administer its affairs in or from within the State for a period of up to fourteen days without being recognised under this Act.

[Section 18 repealed and replaced by Act No. 12 of 1998.]

#### **19. Application**

(1) A private or accredited fund that is constituted under the laws of the State is entitled to be recognised under this Act if it provides—

- (a) proof satisfactory to the Authority that it—
  - (i) is a private or an accredited fund within the meaning of this Act, and
  - (ii) is lawfully constituted under the laws of the State;
- (b) the application prescribed by the regulations; and
- (c) the notices required under section 26.

[Subsection (1) substituted by Act No. 12 of 1998.]

(2) A private or accredited fund that is constituted outside the State may apply for recognition under this Act by sending to the Authority a letter setting out the nature and scope of its business which shall be accompanied by—

- (a) the application fee set out in Part II of First Schedule to the Regulations or such other amount as may be prescribed by regulations;
- (b) the notices required under section 26; and
- (c) proof satisfactory to the Authority that the applicant is—
  - (i) a private or accredited fund within the meaning of this Act, and
  - (ii) lawfully constituted under the laws of another country or jurisdiction.

[Subsection (2) amended by Act No. 12 of 1998.]

(3) In the case of an accredited fund, the materials and information required by subsections (1) and (2) shall be provided within fourteen days of the date it commences to carry on business in or from the State.

[Subsection (3) inserted by Act No. 12 of 1998.]

### **19A. Application for consent to be recognised**

(1) The promoters of a private or accredited fund that is proposed to be formed, may apply to the Authority for its consent to recognise such proposed private or accredited fund upon being lawfully constituted under the laws of the State or of any other country or jurisdiction and upon complying with the requirements of this Act.

(2) An application for consent under subsection (1) shall be—

- (a) in the form prescribed by regulations;
- (b) accompanied by the application fee prescribed by regulations.

(3) The consent of the Authority shall be—

- (a) in such form and subject to such conditions as the Authority may direct; and
- (b) valid for a period of three months from the date it is granted subject to there being no change, that the Authority considers material, in any of the particulars contained in the application for consent.

(4) The promoters or a registered agent of the promoters of a proposed private or accredited fund or their registered agent may, prior to the expiry of the three months period referred to in subsection (3)(b), apply to the Authority for recognition subject to—

- (a) supplying such documents or information as the Authority may require; and
- (b) complying with the provisions of section 19(2).

[Section 19A inserted by Act No. 23 of 2005.]

### **20. Power to grant recognition or consent**

(1) The Authority may grant or refuse to grant recognition under section 19(2) or its consent under section 19A.

[Subsection (1) amended by Act No. 23 of 2005.]

(2) Where the Authority refuses to grant recognition under section 19(2) or consent under section 19A, the provisions of section 11(3) shall apply, *mutatis mutandis*.

[Subsection (2) amended by Act No. 23 of 2005.]

(3) The Authority shall not refuse to grant recognition under section 19(1) unless the applicant fails to comply with requirements of that section.

(4) Where the Authority refuses to grant recognition under section 19(1), it shall give the applicant notice in writing of its decision and the reasons therefor and the applicant may appeal such decision pursuant to section 33.

(5) Notwithstanding subsection (1), the Authority shall refuse to grant its consent if—

- (a) the private or accredited fund has a name which is undesirable or misleading;
- (b) the private or accredited fund does not have a custodian who is functionally independent of the manager or administrator; or
- (c) it determines that it is not in the public interest that such consent should be granted.

[Subsection (5) inserted by Act No. 23 of 2005.]

## **21. Recognition procedure**

(1) Where the Authority grants recognition to a private or accredited fund, he shall direct the Registrar accordingly and the Registrar shall—

- (a) enter the particulars relating to the private or accredited fund in the register maintained by him for the purpose under section 6; and
- (b) issue a certificate of recognition to the private or accredited fund as directed by the Authority showing the date of recognition.

(2) Where the Authority refuses to grant recognition in respect of a consent that was granted under section 19A—

- (a) the consent shall be withdrawn on the expiry of the three month period referred to in section 19A(3)(b);
- (b) the private or accredited fund shall not carry on business in or from within the State;
- (c) the private or accredited fund shall notify all of its investors of the fact set out in paragraph (a); and
- (d) the private or accredited fund shall surrender its certificate of consent to the Authority.

[Section 21 amended by Act No. 12 of 1998 and subsection (2) inserted by Act No. 23 of 2005.]

## **PART IV**

### *Managers and Administrators*

## **22. Licensing**

(1) No person shall, in or from within the State carry on or hold himself out as carrying on business as a manager or administrator of mutual funds unless that person is licensed for the purpose under this Act.

[Subsection (1) amended by Act No. 12 of 1998.]

(2) Subsection (1) does not apply to a person who—

- (a) is not ordinarily resident or domiciled in Saint Vincent and the Grenadines;
- (b) is a manager or administrator of mutual funds (by whatever name called) under the laws of a recognised Country or Jurisdiction; and
- (c) has received written permission from the Authority to carry on business as manager or administrator of mutual funds in or from within the State.

[Subsection (2) amended by Act No. 12 of 1998.]

## **23. Application for a licence**

(1) A person who wishes to apply for a licence may make an application to the Authority to carry on business in or from within the State as—

- (a) manager;

- (b) administrator; or
  - (c) both manager and administrator of mutual funds.
- (2) An application shall be accompanied by—
- (a) the application fee set out in Part III of the First Schedule to the Regulations or such other amount as may be prescribed by regulations;
  - (b) a statement of the financial and human resources and administrative facilities available to the applicant for the competent and efficient conduct of its business; and
  - (c) such other documents or information as the Authority may reasonably require for the purpose of considering the application.

[Subsection (2) amended by Act No. 12 of 1998.]

#### **24. Power to grant licences**

- (1) The Authority may, grant or refuse to grant a licence to any applicant.
- (2) The Authority shall not grant a licence unless it is satisfied that the applicant—
  - (a) is a fit and proper person to be engaged in the business proposed; and
  - (b) has or has available to him adequate knowledge, expertise, resources and facilities necessary for the nature and scope of the business proposed; and
  - (c) has appointed an auditor satisfying such conditions as may be prescribed by the Authority.

[Subsection (2) amended by Act No. 12 of 1998.]

(3) Notwithstanding subsections (1) and (2), the Authority shall refuse to grant a licence if it determines that the applicant has not met the requirements of this Act.

(4) Where the Authority refuses to grant a licence to an applicant, the provisions of section 11(3) shall apply, *mutatis mutandis*.

#### **25. Licensing procedure**

(1) Where the Authority grants a licence to an applicant, he shall direct the Registrar accordingly and the Registrar shall—

- (a) enter the particulars of the applicant in the register maintained by him for the purpose under section 6; and
- (b) issue a licence to the applicant as directed by the Authority showing the date on which the licence is granted.

(2) The Authority may by regulation prescribe a Code of Practice directing the holder of a licence under section 24 to comply with the requirements of the Code which may include matters relating to—

- (a) conduct of business;
- (b) financial resources;
- (c) the giving of notice of specified events;
- (d) advertising;
- (e) clients' money and custody of investments; and

(f) accounting records and audit requirements.

[Subsection (2) inserted by Act No. 12 of 1998.]

(3) A Code of Practice prescribed under subsection (2) may provide for such enforcement mechanisms as the Authority may consider necessary to ensure compliance with the provisions of that Code.

[Subsection (3) inserted by Act No. 12 of 1998.]

## PART V

### *General*

#### **26. Notices to accompany applications**

(1) In addition to any other requirement under this Act, every application for registration, recognition or a licence made under this Act shall be accompanied by a notice of—

- (a) the address for the applicant's place of business and its address of service in the State;
- (b) the name and address of a person resident in the State who is authorised to represent the applicant and to accept service on its behalf; and
- (c) the address of any place or places of business that the applicant may have outside the State.

[Subsection (1) amended by Act No. 12 of 1998.]

(2) If any information contained in any of the notices required to accompany the application pursuant to subsection (1) is altered at any time thereafter, the applicant, upon being a registered public fund, a recognised private or accredited fund or a licensed manager or administrator, as the case may be, shall give in writing to the Registrar particulars of the alteration within twenty-one days after the alteration is made.

[Subsection (2) amended by Act No. 12 of 1998.]

#### **27. Form and conditions of certificates and licences**

(1) A certificate or a licence may be granted subject to terms, conditions, restrictions, or limitations as the Authority with the approval of the Minister may specify therein.

(2) A certificate or a licence shall—

- (a) be in such form as may be directed by the Authority;
- (b) be admitted in all courts as *prima facie* evidence of the facts stated therein; and
- (c) remain in force until it is cancelled.

#### **28. Annual fees**

(1) Where—

- (a) a public fund is granted registration;
- (b) a private or accredited fund is granted recognition; or
- (c) a person is granted a licence,

there shall be payable for the year in which such registration, recognition or licence is granted the fee set out in paragraph (a) of Part III of the First Schedule to the Regulations, or such other amounts as may be prescribed by regulations.

[Subsection (1) amended by Act No. 12 of 1998.]

(2) On or before the 31st day of December every year following the year in which registration, recognition or licence is granted there shall be payable the annual fee set out in paragraph (b) of Part III of the First Schedule to the Regulations or such other amounts as may be prescribed by regulations.

(3) An unpaid annual fee may be sued for by the Authority by action as a civil debt and the Authority may require, and the court may order, the payment of a penalty in an amount equal to the amount of the fee for late payment of the fee.

### **29. Cancellation, etc., of certificates or licences**

The Authority in the case of a registered public fund, and in the case of a recognised private or accredited fund or a licensed manager or administrator, may, subject to sections 30 and 31, cancel a certificate or a licence, as the case may be, or impose new or additional conditions, restrictions or limitations in respect of such certificate or licence—

- (a) at the request of the holder thereof; or
- (b) where the holder thereof—
  - (i) has ceased to carry on business in or from within the State,
  - (ii) has been convicted of an offence under this Act or of a criminal offence in any country or jurisdiction,
  - (iii) has knowingly and wilfully supplied false, misleading or inaccurate information or failed to disclose information required for the purposes of any provision of this Act or the regulations or the Code of Practice prescribed under section 25(2),
  - (iv) is carrying on business in a manner detrimental to the interests of mutual funds investors or to the public interest, or
  - (v) is declared bankrupt or is being wound-up or otherwise dissolved.

[Section 29 amended by Act No. 12 of 1998.]

### **30. Cancellation procedure**

(1) Before cancelling a certificate or a licence under paragraph (b) of section 29, the Authority, as the case may be, shall—

- (a) give the holder thereof notice in writing of the grounds on which it intends to do so;
- (b) afford the holder an opportunity to make it within a period of thirty days after receipt of the notice; and
- (c) take any such representations into consideration.

(2) Where in the exercise of its powers under section 29(b) the Authority decides to cancel a certificate or a licence it shall give notice in writing to the holder thereof of such cancellation and the reasons therefor.

[Section 30 amended by Act No. 12 of 1998.]

**31. Appeal of cancellation**

The holder of a certificate or a licence aggrieved by the decision cancelling such certificate or licence may appeal such decision in accordance with section 33.

**32. Appeal by existing entities**

Notwithstanding any provision in this Act, where the Authority—

- (a) refuses to grant registration;
- (b) refuses to grant recognition; or
- (c) refuses to grant licence,

to an existing entity, it shall give such existing entity a notice in writing of its decision and the reasons therefor and the existing entity may appeal such decision in accordance with section 33.

**33. Appeal procedure**

(1) An appeal under section 20(4), 31 or 32 shall be by—

- (a) way of summons or on motion to a judge in chambers; and
- (b) serving the Authority, as the case may be, with a notice of appeal within twenty-one days or such longer period as the judge may allow, after receipt of the notice required under section 20(4), 30(2) or 32.

[Subsection (1) amended by Act No. 12 of 1998.]

(2) The bringing of an appeal under section 31 suspends the decision appealed against pending the determination or abandonment of the appeal.

**34. Grant or cancellation to be published**

The Authority shall publish in the *Gazette*, in such form as it thinks fit, notice of every grant or cancellation of a certificate or a licence under this Act.

[Section 34 amended by Act No. 12 of 1998.]

**35. Power to grant exemptions**

(1) Upon the recommendation of the Authority, the Minister may, if he is satisfied that to do so would not be prejudicial to the public interest, direct that all or any of the provisions of this Act or the regulations shall—

- (a) not apply; or
- (b) apply subject to such modifications as he may specify in the direction,

to any person or any class of persons.

(2) A direction under this section may be—

- (a) subject to any conditions as the Minister may see fit to specify therein; and
- (b) revoked at any time at the discretion of the Minister.

(3) . . . . .

[Subsection (3) repealed by Act No. 12 of 1998.]

**35A. Restriction on the use of the words “fund” or “mutual fund”**

(1) Except where a person is a mutual fund within the meaning of this Act, or with the written consent of the Registrar, no person shall—

- (a) use or continue to use the words “fund” or “mutual fund”, either in English or in any other language, in the name, description or title under which that person is carrying on business in or from within the State; or
- (b) make or continue to make any representation in any advertisement, billhead, circular, letter, letterhead, notice, paper or in any other manner that that person is carrying on business as a fund or mutual fund.

(2) The Registrar may refuse to grant a certificate in respect of a mutual fund with a name that—

- (a) is identical with that of any company, firm, business or other entity, whether or not registered or doing business in the State, or which so nearly resembles the name of such a company, firm, business or entity as to be likely to confuse or deceive;
- (b) is likely to suggest, falsely, the patronage of or connection with some person or authority, whether within the State or elsewhere; or
- (c) is likely to suggest, falsely, that the fund has a special status in relation to or derived from the government of the State.

(3) If, in the Registrar’s opinion, a mutual fund is carrying on, or attempting to carry on business in or from the State in a name that the Registrar would have refused by virtue of subsection (1), the Registrar may direct the mutual fund to change its name to a name approved by the Registrar.

(4) The licensed manager of a mutual fund shall ensure that the fund complies with a direction given to it in subsection (2), and whoever contravenes this provision is guilty of an offence and liable on conviction to a fine of two thousand dollars plus one hundred dollars in respect of each day during which the mutual fund failed to comply with the direction.

[Section 35A inserted by Act No. 12 of 1998.]

**36. Access to information and records**

For the purpose of discharging his duties under this Act and the regulations and subject to section 38, the Registrar or any other person authorised by the authority, may, at all reasonable times, in writing, direct any person to whom this Act applies to—

- (a) furnish information; or
- (b) provide access to any records, books, or other documents,

relating to the business of that person being carried on under this act which, in the opinion of the Registrar, are necessary to enable him to ascertain compliance with the provisions of this Act or the regulations.

**37. Immunity and actions by the Registrar**

(1) No liability shall be incurred by and no suit, action or proceeding shall be brought against the State, any agent thereof, the Registrar or any person acting under the authority of the Authority for any act done or omitted to be done in good faith—

- (a) in the performance or intended performance of any function or duty; or

(b) in the exercise or intended exercise of any power, under this Act or the regulations.

(2) The Authority may bring actions and institute proceedings in its name or office for the enforcement of any provision of this Act or the regulations, or for the recovery of fees or other sums of money payable under this Act or the regulations.

### **38. Confidentiality**

Notwithstanding section 6—

- (a) any information, material or document furnished to or filed with the Registrar by any recognised private or accredited fund is privileged and shall not be disclosed to any person except—
  - (i) the Minister, the Attorney-General or the Authority or a public officer authorised by the Minister, or
  - (ii) as provided under procedures set forth in the Confidential Relationships Preservation (International Finance) Act, 1996;
- (b) the Minister may direct that any specified information, material or document furnished to or filed with the Registrar by any registered public fund shall be held in confidence and shall not be disclosed to any person so long as the Minister is of the opinion that to do so is in the public interest.

[Section 38 amended by Act No. 12 of 1998.]

### **39. Exemption from certain enactments**

(1) Notwithstanding any provision or rule of law in the State to the contrary—

- (a) a mutual fund which holds a valid and subsisting certificate under this Act shall not be subject to any corporate tax, income tax, withholding tax, capital gains tax or other like taxes based upon or measured by assets or income originating outside the State or in connection with matters of administration or management which may occur in whole or in part in or from within the State;
- (b) for purposes of this section but without limiting the provisions of section 2(2) no mutual fund which holds a valid and subsisting certificate under this Act shall be considered to be doing business in the State solely because it engages in one or more of the following activities—
  - (i) maintaining one or more bank, trust or securities accounts in the State,
  - (ii) holding meetings of directors or investors in the State,
  - (iii) maintaining corporate or financial records in the State,
  - (iv) maintaining an administrative or managerial office in the State with respect to assets or activities outside the State,
  - (v) maintaining a registered agent or registered office in the State, or
  - (vi) investing in stocks or entities doing business in the State or being a partner in a partnership existing under the laws of the State or a beneficiary of a trust or estate which has the State as its *situs*.

[Subsection (1) substituted by Act No. 12 of 1998.]

*Mutual Funds Act – Subsidiary Legislation*

(2) No estate, inheritance, succession or gift tax, rate, duty, levy or other similar charge is payable by persons who are not persons ordinarily resident or domiciled in the State with respect to any shares of a mutual fund to which this Act applies and which holds a valid and subsisting certificate under this Act.

[Subsection (2) inserted by Act No. 12 of 1998.]

(3) Notwithstanding any provision of the Stamp Act to the contrary—

- (a) all instruments relating to transfers of any property to or by a mutual fund;
- (b) all instruments relating in any way to the assets or activities of a mutual fund; and
- (c) all instruments relating in any way to the assets or activities of a mutual fund,

are exempt from the payment of stamp duty.

[Chapter 440. Subsection (3) inserted by Act No. 12 of 1998.]

(4) Any dividend or distribution by a mutual fund to individuals, trusts or other entities which are not ordinarily resident in the State shall be exempt from any tax or withholding provisions of State law which would otherwise be applicable to the recipient or the payer of the dividend or distribution.

[Subsection (4) inserted by Act No. 12 of 1998.]

(5) A mutual fund to which this Act applies shall not be subject to the provisions of the Exchange Control Act or any order or regulation made thereunder, or to any other exchange or currency control legislation or regulations of the State from time to time.

[Chapter 447. Subsection (5) inserted by Act No. 12 of 1998.]

(6) Notwithstanding the provisions of Part III (Division B) of the Companies Act, a company that is incorporated outside Saint Vincent which establishes a place of business within the State to carry on business in accordance with the provisions of this Act as—

- (a) a registered public fund;
- (b) a recognised private or accredited fund; or
- (c) a licensed manager or administrator,

is exempt from the provisions of that Part III (Division B) of the Companies Act.

[Chapter 143. Subsection (6), formerly subsection (2), renumbered by Act No. 12 of 1998.]

#### **40. Offences and penalties**

(1) A person who—

- (a) wilfully makes a misrepresentation in any document required to be filed, furnished or delivered under this Act or the regulations;
- (b) wilfully makes any statement or gives any information required for the purposes of this Act or the regulations that he knows to be false or misleading;
- (c) knowingly fails to disclose any fact or information required to be disclosed for the purpose of this Act or the regulations; or
- (d) being in charge of or having possession of control over any information, records, books or other documents referred to in section 36, refuses or wilfully neglects to comply with any lawful direction given under that section,

commits an offence under this Act and is liable on summary conviction to a fine of not less than five thousand dollars and not more than fifty thousand dollars or to imprisonment for a period not exceeding two years, or both such fine and imprisonment.

[Subsection (1) amended by Act No. 12 of 1998.]

(2) Any person who, without reasonable cause, contravenes a provision of this Act or the regulations for which no penalty is provided commits an offence against this Act or the regulations as the case may be and is liable on summary conviction—

- (a) in the case of a body corporate or unincorporated, a fine of not more than fifty thousand dollars; and
- (b) in the case of an individual, to a fine not more than five thousand dollars or to imprisonment for a period not exceeding one month, or to both such fine and imprisonment.

[Subsection (2) amended by Act No. 12 of 1998.]

(3) A prosecution for an offence under this Act may be commenced within five years from the date of the commission of the offence but not thereafter.

#### **41. Power to the Minister to vary the Regulations**

The Minister may by Notice or regulations published in the *Gazette* vary information contained in the regulations.

[Section 41 repealed and replaced by Act No. 12 of 1998.]

#### **42. Regulations**

The Minister may make regulations—

- (a) prescribing fees payable under this Act;
- (b) . . . . .
- (c) . . . . .
- (d) designating arrangements which are not mutual funds;
- (e) designating mutual funds or a class or classes thereof as private funds;
- (ea) designating a class or subclasses of a public fund;
- (f) authorising the Authority to require that any document, statement, report, certificate, release, agreement, or other information be filed with, furnished or delivered to him;
- (g) defining, for the purposes of this Act, terms or expressions used in this Act that are not defined in this Act;
- (h) prescribing any matter required to be or which may be prescribed under this Act;
- (i) relating to—
  - (i) the constitution, powers and duties of the manager, administrator and custodian,
  - (ii) the issue and redemption of shares,
  - (iii) the appointment, removal, and powers and duties of auditors,
  - (iv) the restriction of regulation of investment and borrowing powers,

- (v) the preparation of periodical reports,
- (vi) the rights of investors, and
- (vii) the contents of constitutional documents, in respect of a public fund or a subclass of such fund;
- (ia) relating to the matters which should be contained in a prospectus of a public fund or a subclass of such fund; and
- (j) generally for the better administration of this Act and for carrying the intent and purpose of its provisions into effect.

[Section 42 amended by Act No. 12 of 1998.]

### **43. Transitional**

(1) Any person performing the functions of a manager or an administrator who, on the date of the coming into forces of this Act, is carrying on any business or engaged in any activity in relation to which he is required to be licensed under this Act shall, within three months of the coming into force of this Act, comply with the requirements of this Act.

(2) Any person who, on the date of the coming into forces of this Act, is carrying on any business or engaged in any activity as a mutual fund shall, on or before 30 June, 1999, comply with the provisions of this Act.

(3) Where a person fails to comply with subsection (2), it shall pay a non-compliance penalty of five thousand dollars for each month or part thereof during which it fails to comply with that subsection up to a period of twelve months.

(4) If after the period of twelve months prescribed under subsection (2), he commits an offence and may be proceeded against under section 40(2).

(5) Where a person is proceeded against under section 40(2), it shall, in addition to any penalty imposed on it, pay the non-compliance penalty to which it is liable under subsection (3).

[Section 43 substituted by Act No. 12 of 1998.]

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### **First Schedule**

[Section 9(2)(a). First Schedule repealed by Act No. 12 of 1998.]

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### **Second Schedule**

[Second Schedule repealed by Act No. 12 of 1998.]

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## **CHAPTER 154 MUTUAL FUNDS ACT**

### **SUBSIDIARY LEGISLATION**

*List of Subsidiary Legislation*

- 
1. Mutual Funds Regulations
- 

**Mutual Funds Regulations**

SRO 12 of 1999

**Amended by**

SRO 10 of 2003

SRO 38 of 2004

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**MUTUAL FUNDS REGULATIONS**

**In exercise of the powers conferred by section 42 of the Mutual Funds Act, 1997, as amended by the Mutual Funds (Amendment and Consolidation) Act, 1998 (referred to collectively herein as the “Act”, except where otherwise indicated), the Minister makes the following Regulations.**

[SRO 12 of 1999 amended by SRO 10 of 2003, SRO 38 of 2004.]

[Date of commencement: 19th April, 1999.]

**1. Citation and commencement**

These Regulations may be cited as the Mutual Funds Regulations, 1999, and shall come into operation on the 19th day of April, 1999.

## PART I

*Interpretations***2. Interpretations under section 2**

(1) Neither the term “administrator” nor the term “manager” shall be deemed to include professionals known as investment advisors so long as such professionals only render investment advice to a mutual fund and do not provide any administrative services or management services to a mutual fund, even as incidental to their investment advice.

(2) A “**custodian**” of a public mutual fund governed by the Act may be an affiliate of the administrator or the manager of that fund notwithstanding the provisions of section 11(2)(b) of the Act so long as the custodian can demonstrate to the reasonable satisfaction of the Authority that there is a clear internal administrative separation between the custodial activities and its administrative or managerial activities. As a condition to registration under the Act, the Authority may specify conditions to be met and maintained by the manager or administrator in acting as a custodian of the public mutual fund. For the removal of doubt, there is no requirement that the custodian or any sub-custodian of a public mutual fund registered under the Act be located or have a place of business in the State or that the activities of such custodian or sub-custodian be required to hold any license or regulation in the State under the Act in order to act as a custodian for a mutual fund.

(3) The following shall be deemed not to constitute a “mutual fund” for purposes of the Act—

- (a) a bank, building society or finance company regulated by the Banking Act;  
[Chapter 87.]
- (b) a bank or trust company subject to regulation under the International Banks Act, 1996;  
[Chapter 99.]
- (c) an investment fund or unit trust owned and managed exclusively by and for a group of two or more individuals who are members of the same immediate family, so long as (A) one or more such family members are the sole promoters of the fund, and (B) the sole purpose of the fund is to facilitate investment by the family, and (C) the fund does not solicit investments from non-family members; provided, trusts, companies or partnerships, or any combination of the same, so long as each such entity is owned and controlled by two or more members of the same immediate family as contemplated by this subsection may, in the discretion of the Authority, qualify for exemption under this provision;
- (d) an investment fund or unit trust in which the minimum initial aggregate share or unit subscription price payable by a prospective investor in the fund is fifty thousand dollars or more in United States currency (or its equivalent in any other currency), so long as no shares or units are offered to persons ordinarily resident in the State under principles of income tax in the State; and
- (e) an investment fund or unit trust in which the shares or units are held by not more than fifteen investors, the majority of whom are capable of appointing or removing the manager, administrator, operator and trustee of the fund, as the case may be; investors under this subsection may include one or more trusts, companies or partnerships, but the ultimate beneficial owners of any such entity shall be counted in determining the number of investors of the investment fund or unit trust for purposes of this subsection.

(4) In the definition of “private or accredited fund”, the term “private basis” shall not include solicitations or offers to buy, or offers to sell shares in the fund solely to accredited investors.

(5) For purposes of section 2(2)(c), a solicitation, without more, of an international business company registered under the International Business Companies Act, 1996, or of an international bank licensed under the International Banks Act, 1996, or of an international trust registered under the International Trusts Act, 1996 to purchase a share or unit in a mutual fund shall not constitute carrying on business in the State by that mutual fund.

[Chapter 99, Chapter 148, Chapter 491.]

### 3. Clarification of section 13

(1) In section 13(1)(b)(ii) of the Act, the reference to “**such other documents or information the Registrar shall consider adequate**” shall mean the documents and information listed and described in section 22 of these Regulations, in addition to the documents and information the Registrar shall require to be kept at such registered office from time to time by notice published in the *Gazette*.

(2) Under section 13(2)(c) of the Act, the investors who shall have the right to inspect the financial statements shall be only those investors who are the legal owners of record of the shares or units of the mutual fund on the relevant examination date. If the investor is a company, trust or partnership, the person having the right to inspect such financial statements shall be the person so authorised under the constitutional documents of such investor. If a fund has issued bearer shares, the holder of such a share must produce the original of the same to the secretary of the fund in order to inspect the financial statements as provided in section 13(2)(c) of the Act.

#### **4. Certificates of compliance from other Jurisdictions**

Under section 15(1) of the Act a registered public mutual fund must provide on an annual basis a “certificate of compliance” from the competent authority in another jurisdiction with respect to the operations of the public mutual fund in that other Jurisdiction. Any official statement, letter, certificate or notice from such Jurisdiction shall satisfy the requirements of this section, so long as such writing—

- (1) states the legal and registered name of the fund,
- (2) provides all names under which the fund is held out to the public (to the extent such names are known to the person so certifying),
- (3) certifies as to the standing or status of registration or regulation of the fund in that other Jurisdiction,
- (4) is signed by a senior official of the regulatory authority in that other Jurisdiction, and
- (5) contains an Apostille attesting to the incumbency of the senior official signing the same.

#### **5. “Knowledge” under section 17**

For purposes of section 17(1)(a) of the Act, “**knowledge**” means actual knowledge by the plaintiff of the fact that the misrepresentation which is alleged to have caused a loss been made and shall not include constructive knowledge.

#### **6. “Recognised managers” under section 22**

(1) A person who carries on the business of manager or administrator of one or more mutual funds in or from within the State shall be exempt from the requirement to hold a license under section 22 of the Act if he or it meets the requirements of section 6 of these Regulations.

(2) Where the person referred to in subsection (1) is exempt from the requirement to hold a license under section 22 of the Act, he or it shall be deemed to be a “Recognised Manager”.

(3) The conditions under which a person may be exempt under this section 6 are—

- (a) the Recognised Manager is subject to the control, whether by majority shareholding or otherwise, of a person who is entitled by law to provide investment management services (by whatever name called) under the laws of a Recognised Country or Jurisdiction;
- (b) the person is of sound repute and is in good standing with the competent authority regulating such activities or services in the Recognised Country or Jurisdiction;

- (c) the business carried on by the Recognised Manager in the State is delegated to a manager or administrator who is licensed under the Act (referred to in this section of these Regulations as “the local license holder”); and
- (d) there is a contractual agreement between the Recognised Manager and the local license holder which includes a provision that the local license holder takes responsibility for compliance by the Recognised Manager with any relevant laws, regulations or directions which apply to activities in the State under the Act or these Regulations.

(4) The local license holder shall, within fourteen days of the recognised Manager becoming established or commencing to do business in the State, provide the Registrar with—

- (a) written notification of—
  - (i) the names and addresses of the directors of the Recognised Manager,
  - (ii) the relevant Recognised Country or Jurisdiction and the laws in such place(s) which authorise the Recognised Manager to conduct its fund management business, if any, and
  - (iii) a description of the nature and scope of the proposed activities of the Recognised Manager in the state, which shall include the name of any mutual fund for which the Recognised Manager is or is to be named a manager or administrator; and
- (b) a statement signed by the local license holder certifying that the conditions in subsection (4) of this section have been met.

(5) The local license holder shall—

- (a) on or before the 31st day of March of each year following the year in which the information required under subsection (4) of this section was provided, confirm to the Registrar in writing that the conditions stated in this section have been met; and
- (b) within twenty-one days of the occurrence of any change in the information previously provided under subsection (4) of this section, notify the Registrar in writing of such change.

(6) Where the local license holder fails to comply with this section, the exemption applicable to the relevant Recognised Manager shall cease forthwith.

(7) The information required under subsection (4) of this section shall be accompanied by the fees prescribed for that purpose as set forth in the First Schedule to these Regulations.

## PART II

### *Appointments*

#### **7. Recognised Country or Jurisdiction**

Pursuant to section 2(3) of the Act, the Authority hereby appoints the following as “Recognised Countries or Jurisdictions” for purposes set forth in the Act (provided that such Jurisdictions or Countries shall not be deemed for purposes of the recognition granted hereunder to include their dependent territories, foreign departments or protectorates, as the case may be)—

Argentina  
Australia  
Belgium  
Bermuda  
Brazil  
British Virgin Islands  
Canada  
Cayman Islands  
Canada  
Cayman Islands  
Chile  
Federation of German States  
Hong Kong  
Japan  
Luxembourg  
Principality of Liechtenstein  
Republic of China (Taiwan)  
Republic of France  
Republic of Ireland  
Switzerland  
United Kingdom  
United States of America.

#### **8. Appointment of Registrar of Mutual Funds**

Until further notice published in the *Gazette*, the International Finance Inspector appointed and serving under the Saint Vincent and the Grenadines International Financial Services Authority Act, 1996, shall also serve as the Registrar of Mutual Funds.

[Chapter 108.]

### PART III

#### *Applications and Renewals*

#### **9. Consent to registration under section 10**

(1) An application for the consent of the Authority to register a public mutual fund shall be made on Form ACA, the form of which is set out as Exhibit 1 to these Regulations. In addition, each promoter of the proposed mutual fund shall complete and file a Form PQ, attached to these Regulations as Exhibit 3, with the completed Form ACA.

(2) Any consent granted by the Authority under section 11(1)(b) shall be irrevocable for the period stated in section 10(3)(b) of the Act, except that in the event it is demonstrated to the satisfaction of the Registrar that the applicant withheld, mis-stated or failed to state material information in its application, such consent may be declared void *ab initio* by the Registrar, who shall promptly provide notice of such determination to the applicant, which notice shall contain a general statement of the reasons for such determination.

(3) A consent (together with evidence of renewals, if any) granted under section 11(1)(b), together with a copy of the application on which such consent was granted under section 11(1)(b) of the Act, shall be attached to the documents and information to be provided to the Registrar to effect registration of the public mutual fund as provided in section 12(2) of the Act. Any such written consent of the Authority shall be taken by the Registrar as *prima facie* evidence of the fact that the public mutual fund for which registration is sought is registerable.

(4) Nothing contained in the Act or in these Regulations shall be construed to limit the right of the Authority to conduct a *de novo* review of all information and materials submitted in or with an application to register a public mutual fund pursuant to section 12(2) of the Act if the Authority has a reasonable belief that any of the material particulars upon which the consent of the Authority was originally granted have changed since the date the consent was granted.

#### **10. Application for registration as a Public Fund**

Where no preliminary consent of the Authority has been sought by a promoter of a public mutual fund under section 10 of the Act, an application for registration of such fund as a public fund may be made under the provisions of section 9 of the Act on Form RPF, the form of which is set out as Exhibit 2 to these Regulations. In addition, each director of a public fund for which registration is sought shall complete a Form PQ, the form of which is set out as attached hereto as Exhibit 3 to these Regulations, and submit the same with its completed Form RPF.

#### **11. Application for recognition as a private fund or accredited fund**

An application for recognition of a private fund or an accredited fund, whether such fund is constituted under the laws of the State or otherwise, shall be made under the provisions of section 19 of the Act on Form PAF, the form of which is set out as Exhibit 4 to these Regulations. Any information required in the said section 19 and not required in Form PAF shall be provided with the application submitted.

#### **12. Application for licensee to act as manager or administrator**

(1) A person may apply to act as a manager or an administrator of one or more mutual funds under Part IV of the Act by completing Form MA, the form of which is set out as Exhibit 5 to these Regulations, which must be duly submitted to the Registrar of Mutual Funds together with the fees prescribed in the First Schedule to these Regulations.

(2) A person who is granted a license to act as a manager or an administrator of a mutual fund shall not be required to apply for a license on account of each mutual fund for which it acts or renders services, provided the manager or administrator, as the case may be, sends written notice to the Registrar of the name and address of each such mutual fund.

#### **13. Application, registration, recognition, licensing and renewal fees**

(1) An application for consent, registration, recognition or licensing under the Act shall be accompanied by the applicable fees described and set forth in the First Schedule to these Regulations. Such fees may be amended from time to time by publication of notice in the *Gazette*.

(2) Upon notice of the grant of an application for registration, recognition or license, but prior to the issuance of the Certificate or License on account of such grant, the successful applicant shall pay the applicable Initial Fees set out in the First Schedule to these Regulations.

### **13A. On-site costs**

A licensee and a mutual fund or a licensee or a mutual fund shall bear the costs of any on-site visit that is to be made by the Authority.

[Regulation 13A inserted by SRO 10 of 2003.]

### **14. Forms of Certificates and Licenses**

(1) A Certificate of Registration or a Certificate of recognition, as the case may be, duly signed by the Registrar, shall be issued to each applicant whose application for such a certificate is granted. The form of a Certificate of Registration shall be substantially in the form set out as Exhibit 6 to these Regulations. The form of a Certificate of Recognition shall be substantially in the form set out as Exhibit 7 to these Regulations.

(2) An Administrator or Manager License, duly signed by the Registrar, shall be issued to each applicant whose application for such a licence is granted under the Act. The form of such license shall be substantially in the form set out as Exhibit 8 to these Regulations.

(3) Any Certificate or Licence issued by the Registrar pursuant to this section shall contain such other information, limitations and restrictions as directed by the Authority in writing to the Registrar.

(4) Any Certificate or License issued as provided in this section shall be conclusive evidence of the validity of the facts stated therein.

### **15. Display and presentation of Certificate**

A Certificate or License granted on an application referred to under section 14 of these Regulations shall be prominently displayed by the mutual fund, the manager or administrator, as the case may be—

- (1) At the premises where the registered holder has as its principal office or registered office in the State by—
  - (a) posting the certificate license on a wall in the main entrance, foyer or hall; or
  - (b) displaying the certificate or license by some other method whereby the license may be seen upon first entering the premises of the registered holder.
- (2) In the case of a Certificate, in each prospectus delivered to an investor or a proposed investor in the fund for which such Certificate was granted.

### **16. Forms and fees for renewal of Licenses and Certificates**

(1) A registered public fund or a recognised private fund or accredited fund shall make application to renew its certificate of registration or recognition, as the case may be,

on or before the 15th of January in each year by submitting to the Registrar, in duplicate, Form MFR in the form set out as Exhibit 9 to these Regulations, duly completed and signed, together with the appropriate annual renewal fee prescribed in the First Schedule.

(2) The holder of a license to act as a mutual fund administrator or manager under the Act shall make application to renew its license on or before the 15th of January in each year by submitting to the Registrar, in duplicate, Form MAR in the form set out as Exhibit 10 to these Regulations, duly completed and signed, together with the appropriate annual renewal fee prescribed in the First Schedule.

(3) In the event that a recognised or registered fund or a licensed administrator or manager fails to renew its certificate or license, as the case may be, in the manner and time prescribed herein and in the Act, it shall be liable to pay a penalty of one-twelfth of applicable annual renewal fee for each month, or part of a month that the fee is in arrears, and shall be liable to other penalties described in the Act and these Regulations.

(4) The Authority shall cause a notice of non-renewal or non-payment of fees, substantially in the form set out as Exhibit 11 to these Regulations, to be sent to the registered office of the mutual fund or manager or administrator, as the case may be, which has failed to comply with this section if such person shall have failed to file a renewal application and/or pay the prescribed renewal fee or has filed an application for renewal which is deficient by reason of—

(a) incomplete information; or

(b) any other deficiency noted by the Registrar.

(5) A mutual fund, or a mutual fund administrator or manager, which fails to file a renewal application in the prescribed manner and time, together with the prescribed fees, shall be liable to forfeit its Certificate of Registration, Certificate of Recognition, or License, as the case may be. The Registrar of Mutual Funds shall notify the mutual fund, or the manager or administrator, as the case may be, by a Notice of Suspension, essentially in the form set out as Exhibit 12 to these Regulations. Such notice shall be sent by mail to the registered office of the addressee. If the certificate holder or licensee to which such notice is addressed continues to carry on business in the State after the expiration of five days following the date such notice was mailed, it shall commit an offence under the Act and shall if convicted be liable to the penalty provided therein.

(6) Notwithstanding the provisions of subsection (5) of this section, a registered or recognised mutual fund or administrator or manager which—

(a) submits a renewal application within thirty days of the date of a notice of non-renewal; and

(b) pays a surcharge of one-twelfth of the applicable annual renewal fee, shall not forfeit its certificate or license, as the case may be, nor shall it have committed an offence under the Act by virtue of such delinquency.

## **17. Cancellation and suspension of Licenses and Certificates**

(1) Notice of Cancellation of a certificate or license under section 30 of the Act shall be sent by the Authority in the form of a Notice of Cancellation essentially in the form set forth as Exhibit 12-A to these Regulations, which shall also operate to suspend the activities of the licensee or certificate-holder with respect to the business of mutual funds pending cancellation thereof. The Authority, in its discretion, shall be authorised to abandon any such suspension pending cancellation. There shall be no right of Appeal from any suspension of a license or certificate in accordance with this section.

(2) A certificate or license-holder which is the recipient of a Notice described in subsection (1) shall, in the case of a certificate holder, cease any offerings, trading, solicitation or sales of shares, interest or units in the mutual funds as to which the Notice relates and, in the case of a licensee, cease acting as a manager or administrator of mutual funds under the Act. Any violation of this subsection shall be an offence under section 40(2) of the Act.

#### **18. License or Certificate for an extended period of time**

A mutual fund registered or recognised under the Act, or a manager or administrator licensed under the Act, which has held a valid certificate or license, as the case may be, for a period of three consecutive years, may apply for a renewal of its Certificate or License, as the case may be, at the end of the third year for an extended period not exceeding ten years from the date of application by submitting in duplicate Form EXR, in the form set out as Exhibit 13. Any such application may be conditionally granted by the Authority subject to payment by the applicant of the applicable annual renewal fee prescribed in the First Schedule, multiplied by the number of years for which the extension is granted. The Authority shall have the discretion to grant or not grant any such application for an extended renewal period, or to reduce the period of extended renewal for which application was made, and any such decision by the Authority shall not be subject to review or appeal in any court.

#### **19. Notification of change of principal office, agent, officers or operations**

(1) The holder of a certificate of recognition or registration under the Act shall notify the Authority of any change in the location of its office in the State or of any change of its registered agent by submitting information as required on Form NT, set out as Exhibit 14 to these Regulations. The holder of a certificate of recognition or registration under the Act shall notify the Authority of any material change in its constitutional documents, operations, officers, directors, or trustees, as the case may be, within five days of any such change, by submitting complete information regarding the same to the Authority in writing on Form CHG, set out as Exhibit 17 to these Regulations.

(2) A mutual fund which fails to comply with the provision of subsection (1) within the prescribed time shall forfeit its certificate of registration or recognition, as the case may be, and any continued conduct of business in the State by the mutual fund thereafter shall be an offence under the Act.

(3) Notwithstanding the provisions of subsection (2), a mutual fund which—

- (a) complies with the terms of this section 19 within thirty days of the change that is to be the subject of notice hereunder; and
- (b) pays a surcharge of one-twelfth of the applicable annual renewal fee, shall not forfeit its certificate or be prosecuted for an offence on account thereof.

### PART IV

#### *Varia*

#### **20. Certificate of Tax Exemption**

The Registrar of Mutual Funds shall send a Certificate of Tax Exemption, substantially in the form set out as Exhibit 15 to these Regulations, to each fund granted a certificate under the Act.

**21. Notice of Revocation of Registered Agent's License**

Any person holding a certificate or license under the Act whose registered agent has had its license revoked or suspended shall be so notified by the Registrar of Mutual Funds by notice substantially set out as Exhibit 16 to these Regulations. Each such holder of a certificate or license as the case may be, shall, upon receipt of such notice, immediately appoint a new registered agent on Form CHG. Section 19 of these Regulations shall apply, *mutatis mutandis*, to notification of appointment of a new registered agent under this section.

**22. Offering Documents and Prospectus**

(1) Any public, private or accredited mutual fund which—

- (a) intends to offer its shares for sale to any person who is ordinarily resident in the State under principles of income taxation in the State, and
- (b) is not exempt from regulation under the Act by these Regulations, must submit an Offering Document Synopsis, in the form set out in the Second Schedule to these Regulations, to the Registrar of Mutual Funds.

(2) The Registrar shall maintain a copy of any Offering Document Synopsis submitted under subsection (1), but shall not be required to review on the accuracy or sufficiency of the same, and no representation shall be made by any mutual fund to which this section applies that the State, the Registrar or the Authority has reviewed or passed upon the sufficiency thereof.

(3) Nothing in the Act or these Regulations shall be construed to alter or limit the duty of a company to comply with the prospectus requirements or securities laws of the State or of any other country or jurisdiction.

**23. Books and Records of Mutual Funds**

(1) Books and records are to be maintained at the principal office in the State of each mutual fund. Every mutual fund shall maintain permanently at its principal office in the State such books of accounts and records of its mutual fund business and financial affairs—

- (a) as will describe in reasonable detail the type of mutual fund business carried on by that fund in or from within the State; and
- (b) as will enable the Registrar at any time to conduct a proper examination of the mutual fund's affairs and to ascertain with reasonable accuracy its financial position at the date of the examination.

(2) Without prejudice to the generality of the provisions of subsection (1), the books and records to be kept by every mutual fund at its principal office in the State shall include—

- (a) current financial statements for the preceding three (3) years, including the calendar quarter most recent ended;
- (b) a register of the mutual fund's directors and officers, showing their names and addresses;
- (c) minutes of the mutual fund's general meetings, meetings of its directors and of its standing committees;
- (d) general and subsidiary ledgers and general journals;
- (e) an up-to-date list of all the mutual fund's agents, managers and administrators; and

- (f) any other registers or records as may be directed or authorised by the Registrar from time-to-time.

#### **24. Records examined by auditor or accountant**

(1) If at any time it appears to the registrar that the books and records of any mutual fund are not kept in accordance with section 23 of these Regulations in such a way so as to enable the Registrar to conduct a proper examination of the mutual fund's affairs and to ascertain its current financial position, he may thereupon—

- (a) appoint a competent accountant to examine, under his direction, the books and records of that mutual fund; and
- (b) such accountant or auditor shall give the necessary written instructions to that mutual fund, which shall forthwith rectify the deficiency to the satisfaction of the Registrar.

(2) The expense of such accounts—

- (a) shall not exceed \$2,000 per day and shall be borne by the mutual fund; and
- (b) shall be certified and approved by the Authority and thereupon—
- (i) shall be paid forthwith by the mutual fund whose books and accounts were investigated, and
- (ii) if not so paid may be recovered as a debt due to the Registrar in his capacity as such.

(3) Anytime an Accountant or Auditor shall audit or verify the accounts of a Mutual Fund under the Act, unless otherwise specified by the Registrar, the Auditor or Accountant shall issue its findings substantially in the form of an Accountant's Certificate of compliance, Form ACC, set forth as Exhibit 18.

#### **25. General requirements relating to preparation of required forms**

(1) All forms required by these Regulations and attached documents shall be prepared in the English language. If any information or document to be submitted to the Registrar or the Authority under the Act or these Regulations is in a language other than English, a translation shall be supplied, certified by a translator to be genuine and correct.

(2) Any official documents which are signed by an official of a government other than the State shall have an Apostille attached thereto, certifying to the office and/or authority of the person signing.

(3) All amounts which are set forth in any return or document filed under the Act or these Regulations shall be shown in the currency in which they were originally stated, but the United States dollar equivalent of every such amount (based on an exchange rate specified and used consistently throughout the filing) must be stated next to that amount in every case where that amount is expressed in a currency other than U.S. dollars.

#### **26. Authority to print and produce consolidation of Act**

The International Financial Services Authority shall be authorised to print and produce a consolidated version of the Mutual Funds Act, 1997, as amended by the Mutual Funds (Amendment) Act, 1998, under the title "Mutual Funds Act, 1997 (Amended and Consolidated)".

FORM ACA

EXHIBIT

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

Application for Consent of Authority to Register Mutual Fund under Section 10

Proposed Name of Fund

Notes.—

- 1. Please supply additional information and material by attachment to this form.
- 2. Please supply Form PQ for each Promoter of the fund.
- 3. Completed Forms API, and supporting material, should be submitted to:

SAINT VINCENT AND THE GRENADINES INTERNATIONAL FINANCE AUTHORITY  
 ADMINISTRATIVE CENTRE, 2ND FLOOR P.O. BOX 356 KINGSTOWN, SAINT  
 VINCENT AND THE GRENADINES

- 1. Legal form (e.g. company, partnership, unit trust), type (e.g. single class, multi-class or umbrella fund) and country of establishment/incorporation.

.....  
 .....

- 2. Promoters (with full background and status, including details of any authorisation by a regulatory authority, professional body, investment exchange, clearing house, etc.).

.....  
 .....

- 3. Is it intended that the fund be a mutual fund for the purposes of the Mutual Funds Act, 1997, as amended (the “Act”)?

\*YES/NO

If YES,

what is the proposed class of the fund

.....Public

.....Private

.....Accredited

- 4. Proposed Fund Manager.

.....

- 5. Proposed Fund Administrator.

.....

- 6. Proposed Custodian/Trustee.

.....

- 7. Proposed Investment Advisor.

.....

- 8. Class(es) of shares/units to be issued.

.....

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- 
- .....
  - 9. Professional Advisors (Accountants/Lawyers).  
.....
  - 10. Investment objectives and policy (in brief).  
.....  
.....  
.....
  - 11. Assets in which the fund would be invested, and brief details of any proposed investment limitations or restrictions.  
.....  
.....  
.....
  - 12. Anticipated borrowings by the Fund.  
.....  
.....
  - 13. .... Front-end fees payable by investors.  
.....
  - 14. Rear-end fees payable by investors.  
.....
  - 15. Other initial or periodic charges and fees payable by investors.  
.....
  - 16. Custodian/Trustee charges (indicate whether or not to be borne by the fund).  
.....
  - 17. Investment Adviser charges (indicate whether or not to be borne by the fund).  
.....
  - 18. Other fees to be paid by the fund manager (e.g. administrator’s fees etc.).  
.....
  - 19. Other charges to be borne by the fund.  
.....
  - 20. Any geographical/nationality restrictions on sale or offering of shares/units? To whom is it intended to market the fund (e.g. general public, institutions, accredited investors, etc.).  
.....
  - 21. Minimum subscription amounts.  
.....
  - 22. Maximum/minimum number of owners?  
.....
  - 23. Any listing on a stock exchange existing or anticipated?  
\*YES/NO  
If YES, name of exchange(s)  
.....
  - 24. Any special peculiarities of the fund?

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\*YES/NO

If YES, give brief details

.....  
.....  
.....

25. Name and address of proposed registered agent for the fund under Registered Agents and Trustees Licensing Act, 1996.

.....  
.....  
.....

26. Any other relevant information.

.....  
.....

The undersigned requests the consent of the International Finance Authority to register a public mutual fund under the Act, such fund being described in this application. If consent is granted as provided in the Act, application will be made in due course by the undersigned under the terms and conditions of the Act and the regulations, which the undersigned has read and understood, and by which the undersigned will abide:

Name of Applicant: .....

Signed: .....

Typed name and title: .....

Address: .....

.....

Telephone number: .....

Date: .....

Consent Granted This ..... Day Of ....., 20 .....

THIS CONSENT IS VOID IF APPLICATION TO REGISTER THE ABOVE-DESCRIBED FUND IS NOT MADE UNDER SECTION 12 OF THE ACT WITHIN THREE MONTHS OF THE DATE THIS CONSENT IS GRANTED. ANY MATERIAL CHANGE IN THE PARTICULARS SET OUT IN THIS APPLICATION MAY, IN THE DISCRETION OF THE INTERNATIONAL FINANCE AUTHORITY, RESULT IN THIS CONSENT BEING VOID.

SAINT VINCENT AND THE GRENADINES INTERNATIONAL FINANCE AUTHORITY

By: .....

Title: .....

Date: .....

\_\_\_\_\_

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FORM RPF

EXHIBIT 2

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

Application for a Registration of Public Mutual Fund

Name of Applicant

Notes.—

- 1. This Form should be completed by persons seeking registration of a public mutual fund under section 9 of the Act.
- 2. This application should be supported by Form(s) PQ, duly completed by the person(s) named in part A1(c) and 3(a) and (b) of this Form.
- 3. Completed Form RPF, and supporting material, and Forms PQ, together with the application fee as prescribed from time to time in the regulations, should be submitted in triplicate to:  
REGISTRAR OF MUTUAL FUNDS SAINT VINCENT AND THE GRENADINES  
INTERNATIONAL FINANCE AUTHORITY ADMINISTRATIVE CENTRE, 2ND FLOOR  
P.O. BOX 356 KINGSTOWN, SAINT VINCENT AND THE GRENADINES

PART A

Details of Applicant

1. General

- (a) Name of Applicant  
.....
- (b) (i) Date of Incorporation  
.....
- (b) (ii) Country of Incorporation  
.....
- (c) (i) \*Name of Company Secretary (see Note 1)  
.....
- (c) (ii) Registered Office  
.....
- Address  
.....  
.....  
.....
- Telephone No.  
.....
- (iii) Principal business address, if different  
.....  
.....  
.....
- (d) Date, or proposed date, of the commencement of operations and share/unit offerings by the Applicant of mutual fund  
.....

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(e) Address in Saint Vincent for service of any notice or document Address

.....  
 .....  
 .....

Telephone No.

.....

(f) Trading name or names which the Applicant uses, or proposes to use, in connection with its mutual fund business, if different from “Name of Applicant”

.....

(g) State whether the Applicant has used any trading or corporate names in connection with its mutual fund business other than as stated in this application during the previous five years \*YES/NO

\*Please delete whichever is not applicable

If YES, give details below

PREVIOUS NAME

DATE CHANGED

.....	.....
.....	.....
.....	.....

(h) State any countries outside Saint Vincent in which the Applicant carries on directly or indirectly, any mutual fund business, indicating whether this is done through a branch office, subsidiary or associate, and provide details of any authorisation currently held to carry on investment, insurance or banking activities in countries outside Saint Vincent

COUNTRY	HOW CARRIED ON	CURRENT AUTHORISATION
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

(i) State the name and address of the Applicant’s auditor

Name

.....

Address

.....

.....

.....

Telephone No.

.....

Partner responsible

.....

(j) Indicate of which professional bodies the Applicant’s auditor is a member

.....

(k) Name and address of registered agent in the State for the fund

.....

.....

**2. Management** (see Note 1)

(a) List below all current \*Directors of the Applicant, identifying, as applicable, the Chairman, Chief Executive, Managing Director, Finance Director and any other Directors with specific duties

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FULL NAME	TITLE/DUTIES	DATE OF APPOINTMENT
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

(b) List below all current \*Managers of the Applicant.

Note.— For this purpose, “Manager” means an officer or employee who, under the immediate authority of the Directors, is responsible either alone or jointly for the conduct of the Applicant’s mutual fund business. If the business of the Applicant is conducted under a management contract, please give details in an attachment to this Application

FULL NAME	AREA OF RESPONSIBILITIES	DATE OF APPOINTMENT
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

\*Where applicable, subsequent directors and managers of the Applicant should, on appointment, also complete and return a Form PQ.

(c) State whether there are any financial guarantees given to or in respect of the Applicant by any of its Directors \* YES/NO

If YES, give details below

.....  
.....  
.....

(d) State whether any changes have taken place in the Board of Directors during the previous three years \*YES/NO

If YES, give details below

FULL NAME	CHANGE AND REASON	DATE
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

(e) State whether any Directors have been dismissed in the previous ten years \*YES/NO

If YES, give details below

FULL NAME	CHANGE AND REASON	DATE
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

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.....  
.....

3. Group Structure

(a) State whether the Applicant is part of a Group \*YES/NO

If YES, attach a “family tree” of the Group structure showing percentages of equity share capital held in respect of all material subsidiaries of the ultimate holding company. If NO, provide the names and addresses of the beneficial owners of the Applicant’s share capital, showing the percentage interest of each beneficial owner

.....  
.....  
.....  
.....

(b) In respect of each Company shown on the “family tree” the following information must be supplied and attached to the “family tree”

(i) For a Holding Company of the Applicant:

- Name  
Address of registered and/or principal office  
Principal activities

(ii) For any other Company in the Group:

- Name  
Principal activities

(c) State whether any Company in the Group is registered under the Mutual Funds Act, 1997, as amended, or under the International Insurance (Amendment and Consolidation) Act, 1998 YES/NO

Note.—“Group” in relation to a body corporate, means that body corporate, any other body corporate which is its holding company or subsidiary, and any other body corporate which is a subsidiary of that holding company.

4. Other Controllers

State whether the Applicant has any other Controller not identified in the “family tree” supplied under item 3 above \*YES/NO

If YES, attach the following details in respect of each such Controller—

- Name  
Names of Directors or Partners  
Address of registered and/or principal office  
Principal activities  
Percentage of voting power which the Controller can exercise, or control the exercise of, at any general meeting of the Applicant or of any Holding Company of the Applicant

Note.—“Controller” means:—

- (a) in relation to a body corporate, a person who, either alone or with any associates, is entitled to exercise, or control the exercise of, 15% or more of the voting power at any general meeting of the body corporate or another body corporate of which it is a subsidiary; and  
(b) in relation to an unincorporated association:—
  - (i) any person in accordance with whose directions or instructions, either along or with those of any associate or associates, the officers or members of the governing body of the association are accustomed to act (but disregarding advice given in a professional capacity), and
  - (ii) any person who, either along or with any associate or associates, is entitled to exercise, or control the exercise of, 15% or more of the voting power at

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any general meeting of the association; and for the purposes of this definition “associate”, in relation to any person, includes that person’s wife, husband or minor child or stepchild, anybody corporate of which that person is a director, any person who is an employee or partner of that person and, if that person is a body corporate, any subsidiary of that body corporate and any employee of any such subsidiary.

5. Financial Information

- (a) State the accounting reference date
(b) A copy of the Applicant’s latest audited accounts must be supplied together with a copy of the directors’ and auditor’s reports. If the Applicant is part of a Group the latest audited Group accounts must also be supplied. If audited accounts are not available see (c) and (d) below
(c) If (i) the Applicant has no audited accounts or (ii) the audited accounts are in respect of an accounting period ending more than six months before the date of application the Applicant must supply financial statements including a Balance Sheet, Profit and Loss Account and Statement of Financial Resources as at a date within the six month period prior to the application date. Please indicate the accounting standards under which the accounts were prepared
(d) If the Applicant has not yet commenced mutual fund business or has done so within the twelve months previous to the date of application it must supply a budget (pro forma) and profit and loss statement for the twelve months following the date or proposed date of commencement of mutual fund business and an estimated balance sheet as at the end of that twelve month period

Note.—Details of any material changes in the financial position of the Applicant as at the date of application from that shown in the audited accounts and other financial statements submitted as required above must be given.

6. External Funding

- (a) State whether the Applicant has any sources of external finance (including facilities unused at the time of application) \*YES/NO
If YES, give the following details
Lender (In the case of a subordinated loan submit a copy of the loan agreement)
.....
amount .....
nature .....
repayment terms .....
if the external finance is secured, the nature of the security (including the type of interest, lieu or charge) and a brief description of their value
.....
.....

Note.—If sources of external finance are disclosed in the accounts supplied, this fact should be stated and the details given above can be restricted to any changes in the situation since the date of the accounts.

- (b) State whether the Applicant has any other charge or lien on its assets not disclosed in item (a) above \*YES/NO
If YES, give details below
.....
.....
(c) State whether the Applicant has given in writing any financial guarantees, indemnities or other commitments, including letters of comfort which are in effect at the date of application. Include those relating to other Group companies \*YES/NO

Mutual Funds Act – Subsidiary Legislation

If YES, give details below

.....  
 .....

- (d) State whether any financial guarantees, indemnities or other commitments, including letters of comfort, have been given to the Applicant. Include those received from other Group companies \*YES/NO

If YES, give details below

.....  
 .....

**7. Insurance and Indemnity**

- (a) Indicate below whether, in relation to its mutual fund business, the Applicant has or proposes to have any cover (insurance) in respect of the following:

		COVER	EXCESS
(i) Professional Indemnity insurance	Actual	.....	.....
	Proposed	.....	.....
(ii) Employee Fidelity insurance	Actual	.....	.....
	Proposed	.....	.....
(iii) Insurance against theft or other loss of negotiable instruments, warrants or other property belonging to:			
	The Applicant	Actual	.....
		Proposed	.....
	Its Investors	Actual	.....
	Proposed	.....	.....

If the answer is “None” in any part of (i) – (iii) above, does the applicant consider itself self-insured against the type of risk shown? \*YES/NO

- (b) State whether the Applicant has made any claims under any of these policies during the three years preceding the date of this application \*YES/NO

If YES, provide details of date, type and amount of claim

.....  
 .....

- (c) State whether any part of the above covered is under a Group policy \*YES/NO

If YES, please attach a copy of the policy

**8. Statutory Regulations**

- (a) Do you at present, distribute, offer, sell, manager or market a mutual fund, or shares thereof, in any other Country or Jurisdiction? \*YES/NO

If YES, give name(s) of scheme(s)

.....  
 .....

- (b) Does any mutual fund or collective investment scheme for which you are responsible have a listing on a Stock Exchange in any country? \*YES/NO

Mutual Funds Act – Subsidiary Legislation

If YES, give name(s) of the fund(s) or scheme(s) and Stock Exchange(s) below

.....
.....
.....
.....

(c) State whether the Applicant is a member or intends to apply for membership of any self-regulating organisation, professional body, investment exchange or clearing house in the U.S., the U.K., Canada or elsewhere \*YES/NO

If YES, give details below

.....
.....
.....
.....

PART B

Other Information

1. (a) Has a petition or request for the compulsory winding up or the voluntary or involuntary bankruptcy of the Applicant been served or filed at any time in any country or jurisdiction in the previous ten years? \*YES/NO

If YES, give details below

.....
.....

(b) Is the Applicant aware that any such petition or request is threatened or pending \*YES/NO

If YES, give details below

.....
.....

(c) Has any subsidiary of the Applicant been compulsorily wound up or declared bankrupt at any time in the previous ten years? \*YES/NO

If YES, give details below

.....
.....

Note.—“Winding up” and “bankruptcy” includes any analogous proceedings under the laws of another country or jurisdiction.

2. State whether the Applicant has at any time in the previous ten years had a receiver, administrative receiver or administrator appointed, or failed to satisfy a debt adjudged due or a debt in respect of which a decree has been passed against it or entered into a scheme of arrangement or composition of its debts with its creditors. \*YES/NO

If YES, give details below

.....
.....

Note.—The appointments mentioned above include any analogous appointments and other expressions used including any analogous expressions used under the laws of another country or jurisdiction.

3. State whether, at any time in the last ten years, the Applicant has been refused or had withdrawn any license, recognition or authorisation under the laws of any country or jurisdiction. \*YES/NO

Mutual Funds Act – Subsidiary Legislation

If YES, give details below

.....  
.....

- 4. State whether the Applicant has ever been refused or had revoked membership of any association of brokers or dealers in securities or of any stock exchange. \*YES/NO

If YES, give details below

.....  
.....

- 5. State whether the Applicant has ever been refused or had revoked membership of any organisation or body currently recognised or designated under the United States securities laws, UK Financial Services Act, 1986 or previously recognised under the UK Prevention of Fraud (Investments) Act, 1958 or the Prevention of Fraud (Investments) Act (Northern Ireland) 1940, or decided after making an application to such a body or organisation not to proceed with it. \*YES/NO

If YES, give details below

.....  
.....

- 6. State whether the Applicant has ever been refused or had revoked any authorisation to carry on securities, investment, banking insurance or other finance business in any country or jurisdiction. \*YES/NO

If YES, give details below

.....  
.....

- 7. State whether the Applicant has ever been subject to any disciplinary measure by any regulatory body of which it is, or was at the time, a member or by any other regulatory body in any country or jurisdiction in relation to its investment business or fund management activities. \*YES/NO

If YES, give details below

.....  
.....

- 8. State whether the Applicant’s affairs have ever been investigated by any regulatory body of which it is, or was at the time, a member or by any other regulatory body in any Country or jurisdiction in relation to its investment business or fund management activities, excepting investigations conducted in the course of normal monitoring and surveillance procedures, with no adverse findings. \*YES/NO

If YES, give details below

.....  
.....

- 9. State whether the Applicant has ever been the subject of formal investigation by any agency or governmental department under the laws of any country or jurisdiction

\*YES/NO

If YES, give details below, identifying any such investigations which are currently in progress

.....  
.....

- 10. State whether the Applicant’s books and records have been sequestered, requisitioned or seized in the last ten years by any agency or governmental department in exercise of its powers. \*YES/NO

If YES, give details below

.....  
.....

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11. State whether the Applicant has been publicly criticised or disciplined in Saint Vincent and the Grenadines or elsewhere in the previous ten years by any agency or governmental department or professional body. \*YES/NO

If YES, give details below

.....  
.....

12. (a) State whether the Applicant’s principal bankers have changed during the three years prior to the date of application. \*YES/NO

If YES, give details below including the reason for change

.....  
.....

(b) State whether the Applicant’s principal legal advisers have changed during the three years prior to the date of application. \*YES/NO

If YES, give details below including the reason for change

.....  
.....

(c) State whether the Applicant’s auditors have changed during the three years prior to the date of application. \*YES/NO

If YES, give details below including the reason for change

.....  
.....

13. State whether any legal proceedings have been successfully brought against the Applicant in relation to its investment or mutual fund business over the previous three years and whether, in the same period, the Applicant has agreed as a result of any such legal proceedings, to an out-of-court settlement.

(a) Legal proceedings successfully brought \*YES/NO

(b) Out of court settlement agreed \*YES/NO

If YES to (a) or (b) above, give details below

.....  
.....

14. State whether the Applicant is involved in any such proceedings referred to in item 13 above, or whether any such proceedings have been threatened, at the time of this application. \*YES/NO

If YES, give details below

.....  
.....

15. State whether the Applicant or any director or manager of the Applicant has ever been convicted of any offence involving fraud or other dishonesty or of an offence under legislation (including insider dealing) relating to securities, financial services, insolvency, consumer credit or consumer protection. \*YES/NO

If YES, give details below

.....  
.....

Note.—“Financial services” includes (*inter alia*) activities carried on by banks, brokers, professional trustees, building societies, credit unions, friendly societies, industrial and provident societies insurance companies/managers and investment managers and advisers.

16. State whether the Applicant has ever made application to the Authority under Section 10 of the Act for consent to register a public mutual fund. \*YES/NO

If YES, give details below

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.....  
.....

DECLARATION

We hereby apply under the Mutual Funds Act, 1997, as amended, for a certificate to carry on mutual fund business as described in part A, 2 above.

We declare that the information given in answer to the within questions is complete and correct to the best of our knowledge and belief and that there are no other facts of which the register of Mutual Funds or the International Finance Authority should be aware.

We are aware that it is an offence\* under the Act knowingly or recklessly to furnish information in connection with an application for a license which is false or misleading in a material particular.

We undertake to inform the Registrar of Mutual Funds of any changes material to the application which arise while the application is being considered.

We further undertake that if, and for as long as the applicant is registered under the Mutual Funds Act, 1998, as amended, or under any subsequent legislation, we will notify the Registrar of mutual Funds or its successors of any material changes in the answers to the question above in compliance with any notification rules or regulations made under that Act.

\* Note.—Section 40 of the Act provides that a person guilty of an offence under the Act shall be liable.

(a) on summary conviction, to imprisonment for a term not exceeding two years or to a fine, or to both;

(b) on summary conviction, to a fine not exceeding \$50,000.

(Application must be signed by two officers or directors of the Applicant)

Signed: .....

(Duly authorised officer or director)

Name: .....

(in BLOCK CAPITALS)

Position held: .....

Date: .....

Signed: .....

(Duly authorised officer or director)

Name: .....

(in BLOCK CAPITALS)

Position held: .....

Date: .....

FORM PQ

EXHIBIT 3

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

Personal Questionnaire

Mutual Funds Act – Subsidiary Legislation

Name of Mutual Fund or Applicant in Connection with which this Form is being Completed (“The Institution”)

Name of Individual Completing this Form

DEFINITIONS AND NOTES APPLICABLE TO THIS FORM:

1. Meaning of Director, Controller, Manager and Promoter

For purposes of this Form—

“Director”, in relation to an institution, includes—

- (a) any person who occupies the position of a director, by whatever name called;
(b) in case of an institution established in a country or territory outside Saint Vincent, any person, including a member of a managing board, who occupies a position appearing to the International Finance Authority to be analogous to that of a director of a company; and
(c) a person in accordance with whose directions or instructions the directors of the body corporate or any of them act;

“Controller”, in relation to an institution, means—

- (a) a managing director of the institution or of another institution of which it is a subsidiary or, in the case of an institution which is a partnership, a partner;
(b) a chief executive of the institution or of another institution of which it is a subsidiary;
(c) a person who, either alone or with any associate or associates, is entitled to exercise, or control the exercise of, fifteen percent (15%) or more of the voting power at any general meeting of the institution or of another institution of which it is a subsidiary; and
(d) a person in accordance with whose directions or instructions the directors of the institution or of another institution of which it is a subsidiary or persons who are controllers of the institution by virtue of paragraph (c) above (or any of them) are accustomed to act (referred to as an “indirect controlled”);

“Manager”, in relation to an institution, means a person with managerial responsibilities (including an actuary or underwriter) who is directly responsible to a director

“Promoter” shall have the meaning ascribed to it in the Act.

2. Meaning of Related Party

Related party means both a person who is a relative (or the spouse of a relative) of the individual completing the form and any institution or trust with which the individual or one of his relatives (or their spouses) is associated as a director, controller or manager (or in the case of a trust, as a trustee or beneficiary). For the purpose of this form, a “relative” is an individual’s husband, wife, brother (including step-brother), sister (including step-sister), uncle, aunt, nephew, niece, first cousin, father (including step-father), mother (including step-mother), son (including step-son), daughter (including step-daughter) or other lineal ancestor or lineal descendant.

3. Meaning of Connected Body

If any body disclosed in question 5 is a connected body of the institution that fact should be indicated.

“Connected Body” means a body in whose case any of the following conditions is fulfilled—

- (a) the same person is the controller of each body; or
(b) if a group of two or more persons are controllers of each body and the group either consists of the same persons or could be regarded as.

1. Personal Details

(a) Full name: Surname ..... Forename(s) .....

(b) Any previous name(s) or alias
– previous name(s) .....
– date(s) changed .....

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- (c) Date and place of birth .....
- .....
- (d) Nationality .....
- (e) Any change of nationality
  - previous nationality .....
  - date changed .....
- (f) (i) Private address(es)
  - .....
  - .....
  - .....
  - .....
- (ii) Any other private address(es) in previous ten years and dates
  - .....
  - .....
  - .....
  - .....
- (g) Please state in what capacity you are completing this form, i.e. as a current or prospective director, controller or manager or any combination of these (see Note 1). Please state your full title and describe the particular duties and responsibilities attaching to the position(s) which you hold or will hold. If you are completing this form in the capacity of director, indicate whether, in your position as director, you have or will have executive responsibility for the management of the Institution’s business
  - .....
  - .....
  - .....
  - .....

**2. Relationship with the Institution, Former Employers and other Third Parties**

- (a) In carrying out your duties will you be acting on the directions or instructions of any other individual or institution? YES/NO
- (b) How many shares in the Institution are or will be registered in your name or the name of the related party (see Note 2)? If applicable, give name(s) in which registered and class of shares.
  - .....
  - .....
  - .....
  - .....
- (c) In how many shares in the Institution (not being registered in your name or that of a related party) are you or any related party beneficially interested?
  - .....
  - .....
  - .....
  - .....
- (d) Do you, or does you any related party, hold any shares in the Institution as trustee or nominee? \*YES/NO
- (e) Are you a significant shareholder of any other financial institution (other than the Institution), which is now regulated under statute or has applied for such regulation? \*YES/NO
- (f) Do you in your private capacity, or does any related party, undertake business with the Institution? \*YES/NO

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- (g) State whether you have any other business interest involving a possible personal liability, either as a sole trader or as a partner \*YES/NO
- (h) Are any of the shares in the Institution mentioned in answer to question 2(b), (c) and (d) equitably or legally charge or pledged to and party? \*YES/NO
- (i) What proportion of the voting power at any general meeting of the Institution (or of another body corporate of which it is a subsidiary) are you or any related party entitled to exercise or control the exercise of?  
..... %
- (j) Do any of the former employers listed at 3 below (or any of the bodies listed in the answer to question 5 and 6(i) maintain a business relationship with the Institution?  
\*YES/NO

3. Experience

Give the following details for each employment over the previous five years, commencing with present employment. Any gaps in employment over the period must be explained.

- (a) (i) Period of employment (month and year)  
From ..... To .....  
Name of employer  
.....  
Address of employer  
.....  
.....  
Nature of employer’s business  
.....  
Position(s) and responsibilities  
.....  
.....
- (ii) Period of employment (month and year)  
From ..... To .....  
Name of employer  
.....  
Address of employer  
.....  
.....  
Nature of employer’s business  
.....  
Position(s) and responsibilities  
.....  
.....  
Reason for leaving  
.....  
.....

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(iii) Period of employment (month and year)

From ..... To .....

Name of employer  
.....

Address of employer  
.....  
.....

Nature of employer’s business  
.....

Position(s) and responsibilities  
.....  
.....  
.....  
.....

Reason for leaving  
.....  
.....

(iv) Period of employment (month and year)

From ..... To .....

Name of employer  
.....

Address of employer  
.....  
.....

Nature of employer’s business  
.....

Position(s) and responsibilities  
.....  
.....  
.....  
.....

Reason for leaving  
.....  
.....

**4. Qualifications**

Give details of:

(a) All relevant professional qualifications, including dates of qualification

.....  
.....  
.....  
.....

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(b) Other relevant training or experience. (Give dates of training)

.....  
 .....  
 .....

(c) State whether in your personal capacity you hold or at any time have held any membership, licence or authorisation or been registered as a representative under laws of the U.S., the U.K., Canada, or any other country in relation to banking, investment, insurance or other finance business \*YES/NO

If YES, give details below including license/registration number and name of the authorising body where appropriate

.....  
 .....  
 .....  
 .....

**5. Other Business Interests** (see Note 3)

State whether there are any bodies (other than the Institution) of which you are, or have been during the previous five years, a director, partner or controller (if you are a controller of any such bodies indicate in what sense). \*YES/NO

If YES, give details below

NAME	PRINCIPAL ACTIVITIES	DIRECTOR, PARTNER OR CONTROLLER	PAST OR CURRENT
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

**6. Good Reputation and Character**

(Please note that neither the U.K. Rehabilitation of Offenders Act, 1974, nor any analogous law of any other country or jurisdiction applies.)

(a) Have you at any time been convicted of any offence involving fraud or other dishonesty or an offence under legislation (including insider dealing), relating to institutions providing financial services, insolvency, consumer credit or consumer protection or any other statutory offence other than a road traffic offence. If so, give particulars of the court by which you were convicted, the offence and the penalty imposed and the date of conviction \*YES/NO

*Note.*—“**Financial services**” includes (*inter alia*) activities carried on by banks, brokers, building societies, credit unions, friendly societies industrial and provident societies, insurance companies/managers and investment managers and advisers.

(b) State whether you are currently engaged, or have been engaged during the previous five years, in any litigation \*YES/NO

(c) State whether

(i) you have ever been declared bankrupt or have had your estate sequestered or a preliminary vesting order declared against you \*YES/NO

*Note.*—“**Declaration of bankruptcy**” and “**sequestration of estate**” includes any analogous proceedings under the law of another country or jurisdiction.

(ii) you are currently the subject of bankruptcy, sequestration, or similar proceedings \*YES/NO

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(iii) you are aware of the likelihood of any such proceedings being threatened?

\*YES/NO

(d) State whether you have ever been resigned from, been refused or had revoked membership of any association of dealers in securities or other financial instruments or of any stock exchange or of any professional body or decided, after making your application, not to proceed with it \*YES/NO

(f) Have you (or any institution with which you have been concerned in the management or conduct of affairs) in Saint Vincent and the Grenadines or elsewhere, been censured, disciplined, warned as to future conduct, or publicly criticised by, or made the subject of a court order at the instigation of any governmental or regulatory authority or any professional body to which you belong or belonged? \*YES/NO

(g) Have you ever held a practising certificate subject to limitations or conditions?

\*YES/NO

(h) Have you, in Saint Vincent and the Grenadines or elsewhere, been dismissed or requested to resign from any office or employment, removed from any fiduciary office or position of trust, subject to disciplinary proceedings by your employer or barred from entry to any profession or occupation? \*YES/NO

(i) Has any body corporate, partnership or unincorporated institution with which you are, or have been associated as a director, partner, officer, or manager, or a shareholder owning more than fifteen per cent (15%) of the voting equity, been the subject of an investigation by a governmental, professional, or other regulatory body?

\*YES/NO

(j) State whether you have ever been disqualified from acting as a director of a company, or from acting in the management or conduct of the affairs of any company, trust, partnership or unincorporated association \*YES/NO

(k) Has anybody corporate, trust, partnership or other unincorporated institution with which you were associated as a director, partner, controller or manager, been wound up, gone into receivership, made subject to an administration order, otherwise made any compromise or arrangement with its creditors or ceased trading either while you were associated with it or within one year after you ceased to be associated with it?

\*YES/NO

(l) State whether, in connection with the formation or management of any body corporate, partnership or unincorporated associated, you have been adjudged by a court to be civilly liable for any fraud, misfeasance or wrongful trading or other misconduct by you towards such a body or towards any members or creditors of such a body

\*YES/NO

(m) Have you failed to satisfy any debt adjudged due and payable by you as a judgement-debtor under an order of a court in Saint Vincent and the Grenadines or elsewhere or made any compromise arrangement with your creditors within the last fifteen years?

\*YES/NO

(n) In respect of each question in sections 2(a) to (j) and 6(a) to (m) above, where the reply is YES give full details below identifying the relevant paragraphs (attach additional sheets as necessary)

.....  
.....  
.....  
.....  
.....  
.....

7. State below any other material information which you consider relevant to the assessment of your expertise, experience and record for the Application being made by the Institution in connection with which this Form is submitted.

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.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

DECLARATION

I declare and confirm that the information supplied is complete and correct to the best of my knowledge and belief at the time of submission and that there are no other facts of which the Registrar of Mutual Funds or the International Finance Authority should be aware.

I undertake to inform the Registrar of Mutual Funds, without delay, of any material changes to the information supplied in this form.

IMPORTANT NOTICE

You should be aware, before signing this declaration, that it is an offence under section 40 of the Act to knowingly or recklessly provide the Authority with information which is false or misleading in a material particular.

Name (in BLOCK CAPITALS)

.....

Signed .....



FORM PAF

EXHIBIT 4

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

Application for Recognition of Private or Accredited Mutual Fund

Name of Fund

.....

Note.—

- 1. This application should be supported by Forms PQ completed by the managers and/or directors named at question 4(i).
- 2. Completed Forms PAF and supporting material, together with the application fee as prescribed from time to time in regulations, should be submitted to—

REGISTRAR OF MUTUAL FUNDS SAINT VINCENT AND THE GRENADINES  
INTERNATIONAL FINANCE AUTHORITY ADMINISTRATIVE CENTRE, 2ND FLOOR  
P.O. BOX 356 KINGSTOWN, SAINT VINCENT AND THE GRENADINES

- 1. Proposed name of the Mutual Fund for which recognition is sought (please explain reasons for that name if it is not clear from the name of the promoter/manager or the investment objectives).

.....

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2. What is the legal form (e.g. company, limited duration company, partnership, unit trust) and type (e.g. single class, multi-class or umbrella fund) of the mutual fund?

3. Proposed category of fund ..... Private
..... Accredited

4. In the case of a mutual fund company state—

(a) The proposed country of incorporation

(b) Date or intended date of incorporation

(c) Address(es) of registered office, and head office (if different) and principal place of business in Saint Vincent (if different)

(d) The name and address of the Manager of the fund (if a separate entity or person)

(e) The name and address of any person to whom it is intended to delegate any of the Manager’s functions

(f) The name and address of the Custodian(s)

(g) The name and address of any person to whom it is intended to delegate any of the Custodian’s functions

(h) The names and addresses of any other advisors under contract to advise/manage/administer the fund

(i) Names of the directors\* of the company (see Note 2)

\*Persons subsequently appointed directors of the company should, on appointment, complete and return a Form PQ, copies of which are available from the Registrar.

(j) Name and address of registered agent in the State for the fund.

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.....  
.....

5. In the case of a unit trust state—

(a) Law governing the trust

.....

(b) Date of trust deed

.....

(c) The name and address of the manager (if separate from the trust)

.....

.....

.....

(d) The name and address of any person to whom the Manager intends to delegate any of his function

.....

.....

.....

(e) The name and address of the Trustee

.....

.....

(f) The name and address of any person to whom the Trustee intends to delegate any of his functions

.....

.....

(g) The name and addresses of any other parties under contract to advice the fund (e.g. investment adviser)

.....

.....

(h) The name and address of registered agent in the State for the fund

.....

.....

6. Address where the register of investors will be kept.

.....

.....

.....

7. Names(s) and address(es) of legal adviser(s) to the fund.

.....

.....

.....

8. Name and address of the auditors of the fund.

.....

.....

9. Describe the investment objectives of the fund including financial objectives (e.g. capital growth or income), investment policy (e.g. specialisation in geographical or industrial sectors) and any limitations on that policy.

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.....

- 10. Outline how the investment objectives are to be achieved, including an indication of any techniques and instruments or borrowing powers which may be used.

.....  
.....  
.....  
.....  
.....  
.....

- 11. What is the base currency of the fund?

.....

- 12. State the intended date of launch of the fund, how it will be sold to investors (e.g. via intermediaries, direct press advertising), to whom it is intended to market the fund (e.g. general public, accredited investors) and the countries in which it is proposed that the fund will be marketed.

.....  
.....  
.....  
.....

- 13. State the duration of the fund.

.....

- 14. (a) State the level of any management fees or charges specifying separately preliminary fees or charges, periodic fees or charges and other charges.

.....  
.....  
.....  
.....

- (b) State the level of any trustee/custodian fees or charges and whether they are chargeable to the fund or to the manager.

.....  
.....  
.....

- (c) State any other significant charges or fees to be borne by the fund and not covered by (a) or (b).

.....  
.....  
.....

- 15. Give details of any power to increase management fee or charges and maximum permitted level of management charges (if any) specifying separately preliminary, periodic and other fees or charges.

.....  
.....  
.....  
.....

- 16. Give details of any power to increase trustee/custodian fees or charges and maximum permitted level of such charges.

Mutual Funds Act – Subsidiary Legislation

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.....  
.....

17. Will the operation of the fund require authorisation from any government or regulatory body outside Saint Vincent? \*YES/NO

If YES, give details

.....  
.....

18. Is the fund proposed to be listed on a Stock Exchange or on any other investment exchange? \*YES/NO

If YES, give details

.....  
.....

19. Give details of arrangements for the issue and redemption of shares or units and of any minimum transaction size, both initially and subsequently, if different.

.....  
.....  
.....

20. Please complete this check-list, and enclose with this Form a copy of final drafts of all the constitutional documents of the fund.

DOCUMENT	ENCLOSED	NOT APPLICABLE
Fund Particulars		
Trust Deed		
Memorandum and Articles of Association/Articles of Incorporation and By laws		
Management Agreement		
Custodian Agreement		
Administration Agreement		
Delegation Agreement		
Investment Adviser’s Agreement		
Registrar’s Agreement		
Sub-Custodian Agreement		
Investment Management Agreement		
Other (Please specify below)		

DECLARATION

I declare that to the best of my knowledge and belief the information given in connection with:

Name of Fund .....

is true, complete and correct to the best of my knowledge, and that there are no other facts of which International Finance Authority should be aware in connection with this Application. I am aware that it is an offence\* under section 40 of the Mutual Funds Act, 1997, as amended, knowingly to furnish information in connection with an application for the authorisation of a mutual fund which is false or misleading in a material particular.

\* Note.— Section 40 of the Act provides that a person guilty of an offence shall be liable:  
(a) on summary conviction, to imprisonment for a term not exceeding two years or to a fine, or to both;  
(b) on summary conviction, to a fine not exceeding \$50,000.

On behalf of the Manager of the fund I apply for authorisation of the fund, and, if such authorisation is granted, I and the fund agree to be bound by the applicable terms and conditions

Mutual Funds Act – Subsidiary Legislation

of the Act and regulations.

A. Signed: .....
(Duly authorised officer of the manager)
Name: .....
(in BLOCK CAPITALS)
Position Held: .....
Address: .....
.....
.....
Telephone number: .....

On behalf of the Trustee/Custodian/Manager of the Fund, the undersigned support this application.

B. Signed: .....
(Duly authorised officer of the Trustee/Custodian/Manager)
Name: .....
(in BLOCK CAPITALS)
Position Held: .....
Address: .....
.....
.....
Telephone number: .....

FORM MA

EXHIBIT 5

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

Application for Licensing as Mutual Fund Manager or Administrator

\*Application being completed for

- 1. Name.
.....
2. Address.
.....
3. Place established and number of years established under present name.
.....
If established previously under other name or names, give information and date of expiration of such business .....
.....
4. Address of (head or registered) office.
5. (a) Name and address of local attorney or legal adviser
.....
.....
.....

Mutual Funds Act – Subsidiary Legislation

(b) Name and address of accountants and auditors in Saint Vincent

.....  
.....  
.....

(c) Name and address of registered agent in Saint Vincent

.....  
.....  
.....

6. Name of principal banker in Saint Vincent.

.....  
.....  
.....

7. If Mutual Fund manager or broker, state whether or not you have professional indemnity cover. If “Yes”, give details of coverage and name of insurer(s).

.....  
.....  
.....

8. Names, addresses and nationalities of shareholders, directors, partners and officers. Also professional qualifications of each director and officer and details of experience in mutual fund business

.....  
.....

9. Particulars of any business (other than mutual fund management or administrator) business carried on at present .....

10. If agent for non-resident mutual fund attach copy of agency agreement or such other documentary evidence as will show your authority to act on behalf of principal(s) for which you act. If such evidence is attached, here so state

.....

11. Details of experience in mutual fund business .....

12. Give details of membership or proposed membership of any professional body or trade association

.....

13. Attach a complete list of all persons (e.g. brokers, sub-agents and salesmen) through whom the company is presently or intends to carry on business in Saint Vincent. If a list is so attached, here so state

.....

14. If applicant is presently acting as a mutual fund manager or administrator, attach a list of all mutual funds for which you act as manager or administrator. If a list is attached, here so state

.....

15. Attach evidence of compliance with Saint Vincent Immigration and Exchange Control Laws and Regulations (where applicable). If such evidence is attached, here so state

.....

16. If the applicant is a company, attach evidence of incorporation in Saint Vincent.

17. If the applicant is a company, attach a copy of the articles of incorporation and by-laws or memorandum and articles of association, act, statute, charter, partnership agreement or other instrument constituting and defining the constitution of the applicant verified by a statutory declaration made by one of its directors or partners or by its secretary and—

(a) in the case of an applicant which is a company incorporated in Saint Vincent, certified by the Registrar of Companies; and

(b) in the case of an applicant which is incorporated under any law other than the law of,

*Mutual Funds Act – Subsidiary Legislation*

Saint Vincent certified and authenticated under the public seal of the country; city or place under the law of which it is incorporated and, if such instrument is not written in the English language, a certified English translation thereof.

18. If the applicant is a company incorporated in Saint Vincent, attach—
- (a) completed Form PQ forms for each shareholder who holds more than thirty-three per cent of its share capital, in the case of individuals or, in the case of each corporate shareholder who holds more than 33% of its share capital, the full name, address and country of incorporation;
  - (b) annual accounts for two years immediately preceding the year of application of each shareholder which is a body corporate to which paragraph (a) applies, together with similar accounts for the parent body, if any, of each such body corporate;
  - (c) two or more references verifying the good financial standing of each shareholder who is a natural person to whom paragraph (a) applies;
  - (d) completed Form PQ forms for all directors of the applicant;
  - (e) two character references for each of the persons referred to in paragraph (d) and, for each such person, a police or other certificate satisfactory to the Registrar that the person has not been convicted of a serious crime or any offence involving dishonesty;
  - (f) evidence acceptable to the Registrar of the availability to the applicant at all times of adequate professional knowledge and experience in the administration of mutual funds and the names of at least two of its directors actively engaged in the business of the applicant one of whom shall possess a sound professional knowledge of, and experience in, administration of mutual funds;
  - (g) the names, addresses of the registered offices of all subsidiary companies of the applicant together with a statement as to how much of the capital of each such company constitutes an asset of the applicant;
  - (h) details of the applicant's auditors including—
    - (i) the name and address of the auditor or firm of auditors,
    - (ii) the professional body of which the auditor is member, if applicable, and
    - (iii) the partner responsible, if applicable;
  - (i) a statement giving the date for the drawing up of the annual accounts of the applicant;
  - (j) business references from two major international financial institutions;
  - (k) details of the current business activities, if any, of the applicant and its proposed activities if the license applied for is granted including—
    - (i) its business aims including details of the type(s) of mutual fund administration it will undertake (e.g. whether it will be providing an operator to the funds and/or will manage the funds, etc.),
    - (ii) particulars of its management structure and personnel,
    - (iii) a statement as to its customer base, including, the names and addresses of the funds that it will administer, and
    - (iv) a copy of its most recent balance sheet and details of its fee earnings, if any;
  - (l) requests for any exemption from the requirements of the Act sought by the applicant.
19. If the applicant is a company incorporated outside Saint Vincent, attach—
- (a) a list certified by its secretary containing the names, addresses and nationalities of its directors and corporate officers;
  - (b) a chart showing the relationship to its subsidiaries and affiliates and any holding company;
  - (c) details of the applicant's auditors including—
    - (i) the name and address of the auditor or firm of auditors,
    - (ii) the professional body of which the auditor is a member, if applicable, and
    - (iii) the partner responsible, if applicable;
  - (d) a statement giving the date for the drawing up of its annual accounts and the accounting standards under which the same are drawn;

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- 
- (e) a copy of its latest annual accounts and those of its holding company, if any;
  - (f) a letter, or letters, addressed to the Authority under the hand of its managing director or presiding officer containing—
    - (i) a statement describing in outline the history of the applicant and its present business activities,
    - (ii) a brief description of each of its subsidiaries and affiliates,
    - (iii) the reasons for wishing to obtain the license sought and its business aims for the applicant including details of the type of mutual fund administration it will undertake (i.e. whether it will be providing an administrator to the funds and/ or will manage the funds, etc.) and the type(s) of mutual fund it will administer (e.g. funds listed on a Stock Exchange, etc.),
    - (iv) evidence acceptable to the Registrar of the professional knowledge and experience in the administration of mutual funds, of the directors and managers and certificates satisfactory to the Registrar showing that none of them have been convicted of a serious crime or any offence involving dishonesty,
    - (v) confirmation in writing under the hand of the managing director or presiding officer of the applicant and the managing director or presiding officer of its parent body, if any, that they concur in the making of the application, and
    - (vi) requests for any exemption from the requirements of the Act sought by the applicant; and
  - (g) a statement in writing in a form acceptable to the Registrar accepting legal responsibility for the obligations and liabilities of the applicant executed by and binding on the parent company, if any, of the applicant.
20. If the applicant is not a company, or has no audited accounts, evidence that it has an appropriate net worth to carry on the business as proposed in this application.
  21. The jurisdiction where the applicant will carry on the business of mutual fund administration or management (i.e. where it will have a staffed office) if other than Saint Vincent indicating whether this is done through a branch office, subsidiary or associate.
  22. If the applicant, or its parent, if any, is incorporated outside of Saint Vincent, details of any authorisation currently held to carry on mutual fund business in the country of incorporation as well as the name and address of the relevant supervisory regulatory authority.
  23. If the applicant or its parent, if any, is not currently subject to regulation in Saint Vincent or in any other country, details as to whether—
    - (a) the applicant has ever been refused or had revoked any authorisation to carry on mutual fund, investment, banking or other finance business in any country;
    - (b) the applicant has ever been refused or had revoked membership of any association of dealers in securities or of any stock exchange;
    - (c) the applicant has at any time in the previous ten years had a receiver, administrative receiver or administrator appointed, or failed to satisfy a debt adjudged due or a debt in respect of which a decree has been passed against it or entered into a scheme of arrangement or composition of its debts with its creditors;
    - (d) a petition for the compulsory winding up or bankruptcy of the applicant has been served at any time in the previous ten years;
    - (e) the applicant's principal bankers have changed during the three years prior to the date of application (if yes, give details including the reason for change);
    - (f) the applicant's legal advisers have changed during the three years prior to the date of application (if yes, give details including the reason for change);
    - (g) the applicant's auditors have change during the three years prior to the date of application (if yes, give details including the reason for change);
    - (h) the applicant has ever been convicted of any offence involving fraud or other dishonesty or of an offence under legislation (including insider dealing) relating to financial services, insolvency, consumer credit or consumer protection; and
    - (i) the applicant has ever been the subject of formal investigation under the legislation of any

Mutual Funds Act – Subsidiary Legislation

county.

- 24. Each application for a restricted Mutual Fund Manager/Administrators license shall be accompanied by an undertaking in a form acceptable to the Registrar that the applicant shall not undertake mutual fund administrators business for funds other than those whose names and addresses are specified from time to time as required by this Application.
25. Applicants are required to inform the Registrar of Mutual Funds of any changes material to the application while it is being considered.

I/We certify that to the best of my/our knowledge and belief all the information given in this application is true and correct and that all estimates given are true estimates based upon facts which have been carefully considered and assessed.

Name: .....
By: .....
Title: .....
Dated: .....

Note.—Any information supplied pursuant to this form will be dealt with in CONFIDENCE in accordance with the Act.

EXHIBIT 6

SAINT VINCENT AND THE GRENADINES

Registrar of Mutual Funds

Public Mutual Fund Certificate of Registration

.....

Name of Mutual Fund

I hereby certify that the above-mentioned Public Mutual Fund is Registered on the Register of Public Mutual Funds as of

.....

Date of Grant of License

under the Mutual Funds Act, 1997 (as amended by the Mutual Funds Amendment Act, 1998) to carry on business as a Public Mutual Fund as provided in the said Act.

This License expires on December 31, .....; it may be renewed from year to year upon application to the Registrar and payment of the specified fee.

Given under my hand, this ..... day of ....., 20 .....

.....

Registrar of Mutual Funds

EXHIBIT 7

SAINT VINCENT AND THE GRENADINES

Registrar of Mutual Funds

Private or Accredited Mutual Fund Certificate of Recognition

.....

Name of Mutual Fund

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I hereby certify that the above-mentioned Private or Accredited Mutual Fund is Recognised as of

.....

Date of Grant of Recognition

under the Mutual Funds Act, 1997 (as amended by the Mutual Funds Amendment Act, 1998) to carry on business as a Private or Accredited Mutual Fund as provided in the said Act.

This License expires on December 31, .....; it may be renewed from year to year upon application to the Registrar and payment of the specified fee.

Given under my hand, this ..... day of ....., 20 .....

.....

Registrar of Mutual Funds

\_\_\_\_\_

EXHIBIT 8

SAINT VINCENT AND THE GRENADINES

Registrar of Mutual Funds

Mutual Fund Manager or Administrator License

.....

Name of Manager or Administrator

I hereby certify that the above-mentioned Manager or Administrator holds a valid license as of

.....

Date of Grant of License

under the Mutual Funds Act, 1997 (as amended by the Mutual Funds Amendment Act, 1998) to carry on business as a Mutual Fund Manager or Administrator (specify) under the terms and conditions of the said Act.

This License expires on December 31, ..... It may be renewed from year to year upon application to the Registrar and payment of the specified fee.

Given under my hand, this ..... day of ....., 20 .....

.....

Registrar of Mutual Funds

\_\_\_\_\_

FORM MFR

EXHIBIT 9

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

Application for Renewal of Certificate of Registration or Recognition

(Complete in Duplicate)

Every mutual fund applying to renew its certificate of registration or recognition under the Mutual Funds Act, 1997, as amended, shall furnish to the Registrar of Mutual Funds the following particulars. The Applicant shall also attach a certified or bank cheque for the applicable Annual

Mutual Funds Act – Subsidiary Legislation

Renewal Fee in the amount specified below, which fee shall be non-refundable and shall be for the issuance of the certificate and for the year ending 31 December of the year the certificate is renewed.

- 1. Class of certificate – Annual Renewal Fee (in U.S. dollars):
  - Public Fund \$ .....
  - Private/Accredited Fund \$ .....
  - Surcharge for Late Renewal \$ ..... (1/12th of Renewal Fee for each month, or part of each month, the Renewal application is filed past 15 January)

Total Fees Enclosed \$ .....

- 2. Name of mutual fund: .....
- 3. Address in the State of its place of business: .....  
.....  
.....
- 4. Name and address of its registered agent in the State: .....  
.....  
.....
- 5. State, or attach a description of, any material changes from the information provided on the mutual fund’s Application for Certificate of Registration of a Public Fund or Application for Recognition as a Private or Accredited Fund or last Renewal Application for Renewal.  
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.....

The undersigned hereby confirms that he/she is authorised to execute this Renewal Application on behalf of the mutual fund for which application is made hereby, and that the information contained in this Renewal Application is true and accurate as of the date shown below.

Dated this ..... day of ....., 20.....

.....  
*Name of Mutual Fund*  
 By: .....  
 .....  
*Name of Officer executing*  
 Title: .....

II  
Form MFR

Mutual Funds Act – Subsidiary Legislation

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

Application for Renewal of Manager/Administrator License

(Complete in Duplicate)

Every Licensee applying to renew a Manager or Administrator License under the Mutual Funds Act, 1997, as amended, shall furnish to the Registrar of Mutual Funds the following particulars. The Applicant shall also attach a certified or bank cheque for the applicable Annual Renewal Fee in the amount specified below, which fee shall be non-refundable and shall be for the issuance of the license and for the year ending 31 December of the year the license is renewed.

- 1. Form of License – Annual Renewal Fee (in U.S. Dollars):
[ ] Manager \$ .....
[ ] Administrator \$ .....
Surcharge for Late Renewal \$ ..... (1/12th of Renewal Fee for each month, or part of each month, the Renewal application is filed past 15 January)
Total Fees Enclosed \$ .....

- 2. Name of Licensee: .....
3. Address in the State of its place of business: .....
4. Name and address of its registered agent in the State: .....
5. State, or attach a description of, any material changes from the information provided on the Licensee’s Application for License as Manager or Administrator or the last Renewal Application for Renewal of Manager or Administrator License.
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.....

The undersigned hereby confirms that he/she is authorised to execute this Renewal Application on behalf of the Licensee, and that the information contained in this Renewal Application is true and accurate as of the date shown below.

Dated this ..... day of ....., 20.....
LICENSEE .....
Name
By: .....
Title: .....



EXHIBIT 11

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

Notice of Non-Renewal or Non-Payment

.....

Name of Mutual Fund

To: .....
Position: .....
Address: .....
.....
.....

The Registrar of Mutual Funds hereby notifies the above-named recognised or registered mutual fund under the Mutual Funds Act, 1997, as amended, that the fund has:

- Not filed an Application for Renewal of its Recognition or registration.
Filed a deficient Application for Renewal of its Recognition or Registration, as follows:
The information supplied on the Application for Renewal is deficient in the following particulars:
The fee with the Application for Renewal is deficient in the following particulars:
The Application for Renewal is otherwise deficient in the following particulars:

The above-named mutual fund shall within thirty (30) days from the date of this Notice furnish to the Registrar of Mutual Funds and the International Finance Authority an amended Application for Renewal (Form MFR) together with the applicable Annual Renewal Fee and surcharge.

Dated this ..... day of ....., 20.....

.....
Saint Vincent and the Grenadines Registrar of Mutual Funds

[SEAL]

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Mutual Funds Act – Subsidiary Legislation

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1997

Notice of Cancellation

.....

Name of Mutual Fund

To: .....
Position: .....
Address: .....
.....
.....

The Registrar of Mutual Funds hereby notifies the above-named registered or recognised mutual fund or licensed Manager or Administrator (as the case may be) that such license or certificate will be cancelled under section 29 of the Act for failure to pay fees and/or file reports and forms required by the Act.

- NOTICE: (1) The Mutual Fund or licensee may, pursuant to sections 31 and 33 of the Act, lodge an appeal of such cancellation to be effected hereby with the Court within twenty-one (21) days after receipt of this Notice.
(2) The cancellation to be effected hereby is subject to your rights to cure the violation forming the basis of the cancellation under the provisions of section 16 of the regulations.

Dated this ..... day of ....., 20.....

.....

Registrar of Mutual Funds

[STAMP]

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EXHIBIT 12-B

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1997

Notice of Cancellation

.....

Name of Mutual Fund

To: .....
Position: .....
Address: .....
.....
.....

The Registrar of Mutual Funds hereby notifies the above-named registered or recognised mutual fund or holder of a licence to act as a Manager or Administrator (as the case may be) under the Mutual Funds Act, 1997, as amended, that such license or certificate and the underlying grant of authority, will be cancelled by the Authority under section 29 et seq. of the Act for the following reasons.

The Mutual fund or licensee is carrying on the business of mutual funds in a manner detrimental to the public interest of the State or to the interests of the companies trusts, and/or other parties or their

Mutual Funds Act – Subsidiary Legislation

respective shareholders or beneficiaries, being investors in the fund, in the following particulars:

.....  
.....

The Mutual fund or licensee has contravened a requirement of or condition attached to the certificate, or a requirement made by or under the Act, in the following particulars:

.....  
.....  
.....

The Mutual fund or licensee has ceased to carry on the business of a mutual fund.

The Mutual Fund or licensee is insolvent

The following reason(s): .....  
.....

The recipient of this Notice if further notified that the authority granted by virtue of such certificate or license which is the subject of this Notice is hereby suspended under section 17(2) of the Mutual Funds Regulations, 1999. The suspension which is the subject of this Notice shall be for the period of thirty (30) days from the date of this Notice. Under the terms of section 17 of the Mutual Funds regulations, 1999, the above-named subject of this Notice (i) if a mutual fund, shall cease any offering or sale of shares, units or interests in such funds for the period of suspension, or (ii) if a licensed Manager or Administrator, shall cease carrying on the business of acting as a manager or administrator of mutual funds, under penalties prescribed in section 40(2) of the Act.

NOTICE: The cancellation of the certificate of registration or recognition, of the licence, shall take effect thirty (30) days from the date of this Notice. The mutual fund or licensee may, pursuant to Sections 31 and 33 of the Act, lodge an appeal of the cancellation to be effected hereby with the court within 21 days after the receipt of this Notice.

Dated this ..... day of ....., 20.....

.....  
*Registrar of Mutual Funds*

[STAMP]



FORM EXR

EXHIBIT 13

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1997

*Application for Extended License or Certificate Renewal*

*(Complete in Duplicate)*

.....  
Name of Mutual Fund, Manager or Administrator

A person applying to renew a license or certificate for an extended period of time under the Mutual Funds Act, 1997, as amended, shall furnish to the Registrar of Mutual Funds the following particulars. The Applicant affirms that it will, upon receipt of grant of this application, immediately remit to the Registrar a certified or bank cheque for the Annual Renewal Fee as calculated below, which fee shall be non-refundable and shall be for the issuance of the license and for the year ending 31 December of the year the license is renewed.

- 1. Class of License or Certificate and Annual Renewal Fee:  
Extended Period of License or Certificate Requested: ..... Years (not to exceed

Mutual Funds Act – Subsidiary Legislation

10 years)

- 2. Number of continuous calendar years licensee or mutual fund has held a license or certificate and operated under the Act: ..... Years
- 3. Registered name of licensee or certificate holder: .....
- 4. Address in the State of its principal place of business: .....  
.....  
.....
- 5. Name and address of its registered agent in the State: .....  
.....  
.....
- 6. State, or attach a description of, any material changes from the information provided on the licensee’s or certificate holder’s last Application for Renewal of License or Certificate.  
.....  
.....  
.....  
.....
- 7. State, or attach a description of, why the licensee or certificate holder should be issued a license for the extended period of time requested:  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

The undersigned hereby confirms that he/she is authorised to execute this Application on behalf of the licensee or certificate holder, and that the information contained in this Application is true and accurate as of the date shown below.

This ..... day of ....., 20.....

.....  
*Licensee or Certificate Holder*  
 By: .....  
 Title: .....

\_\_\_\_\_

FORM NT  
EXHIBIT 14

SAINT VINCENT AND THE GRENADINES  
MUTUAL FUNDS REGULATIONS, 1999

*Notice of Change of Principal Office and/or Registered Agent*

Mutual Funds Act – Subsidiary Legislation

(Complete in Duplicate)

Name of Mutual Fund, Manager or Administrator

Date: .....

To: REGISTRAR OF MUTUAL FUNDS
SAINT VINCENT AND THE GRENADINES INTERNATIONAL FINANCE
AUTHORITY
ADMINISTRATIVE CENTRE, 2ND FLOOR
P.O. BOX 356
KINGSTOWN
SAINT VINCENT AND THE GRENADINES

Dear Sirs,

We hereby notify you that we have changed our principal office and/or registered agent in the State as follows. We enclose herein a (certified or bank cheque) in the amount of the required, non-refundable filing fee for Submission of Documents of U.S. \$25.00.

Approval is requested for these changes.

- 1. Former Address of Principal Office: New Address of Principal Office:
2. Former Registered Agent: a. Name: Address:
3. New Registered Agent: a. Name: Address:

We enclose herewith from the above-named person(s) a written consent to act as registered agent under the terms of the Mutual Funds Act, 1997, as amended.

Yours faithfully,
.....

EXHIBIT 15

SAINT VINCENT AND THE GRENADINES
MUTUAL FUNDS REGULATIONS, 1999

Certificate of Tax Exemption

Name of Mutual Fund

This is to certify that ....., a Mutual Fund registered or recognised under the Mutual Funds Act, 1997, as amended, is not subject to any income tax,

Mutual Funds Act – Subsidiary Legislation

capital gains tax, estate, inheritance, succession or similar tax, or impost taxation while it is in good standing under the Act, in accordance with the laws of the State of Saint Vincent and the Grenadines, all as more particularly provided in the said Act.

Dated the ..... day of ....., 20.....

.....  
Registrar of Mutual Funds

[SEAL]



EXHIBIT 16

SAINT VINCENT AND THE GRENADINES  
MUTUAL FUNDS REGULATIONS, 1999

Notice of Revocation of Registered Agent’s License

.....  
Name of Mutual Fund

To: .....  
Licensee: .....  
Address: .....  
.....

The Registrar hereby notifies the above-named mutual fund under the Mutual Funds Act, 1997, as amended, that its Registered Agent has had its license revoked under the Registered Agent and Trustee Licensing Act, 1996. You shall immediately select a new Registered Agent and shall submit to the registrar of mutual Funds within thirty (30) days from receipt of this Notice a Notice of Change of Registered Agent on Form NT setting forth the name and address in the State of the new Registered Agent.

Dated the ..... day of ....., 20.....

.....  
Registrar of Mutual Funds

By: .....  
Its: .....

[SEAL]



Mutual Funds Act – Subsidiary Legislation

FORM CHG

EXHIBIT 17

SAINT VINCENT AND THE GRENADINES
MUTUAL FUNDS REGULATIONS, 1999

Notice of Change of Particulars
(Complete in Duplicate)

Date: .....

To: REGISTRAR OF MUTUAL FUNDS
SAINT VINCENT AND THE GRENADINES INTERNATIONAL FINANCE
AUTHORITY
ADMINISTRATIVE CENTRE, 2ND FLOOR
P.O. BOX 356
KINGSTOWN
SAINT VINCENT AND THE GRENADINES

Dear Sir,

We hereby notify you that we have changed the particulars set forth in our Application for Recognition or Application for Registration of License or most recent Application for Renewal or Application for Extended Renewal, as the case may be, as follows. We enclose herewith a certified or bank cheque in the amount of the Fee for Submission of Change of Particulars of U.S. \$100.00

Approval is requested for the following changes:

- 1. ....
2. ....
3. ....

Yours faithfully,
NAME: .....

By: .....
Its: .....

APPROVED, except as may be set forth in an attachment hereto.

.....
Registrar of Mutual Funds

[STAMP]



FORM ACC

EXHIBIT 17

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

Accountant’s Certificate of Compliance

This certificate is provided by the undersigned independent auditor on behalf of ....., mutual fund recognised/registered (circle one) under the Mutual Funds Act, 1997, as amended, in the following particulars:

[ ] The annual accounts of the fund have been prepared as required by the Act and the regulations thereunder. This certificate is unqualified.

[ ] The annual accounts of the fund have been prepared as required by the Act and the regulations thereunder. This certificate is qualified in the following respects:

.....

[ ] The information set forth in all writings filed with the Registrar of Mutual Funds by the mutual fund through the date hereof remains correct and gives an accurate summary of the business of the certificate-holder, with the following reservations:

.....

Dated the ..... day of ....., 20.....

Auditor: .....

Address: .....

By: .....

Its: .....

First Schedule

[First Schedule amended by SRO 10 of 2003 and repealed and replaced by SRO 38 of 2004.]

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

PART I

General fees—

(a) due diligence — Cost of carrying out due diligence plus ..... U.S. \$ 50.00

(b) any other application ..... U.S. \$ 50.00

Mutual Funds Act – Subsidiary Legislation

PART II

Application Fees

Fees for—

(a) an application for registration under section 9 .....	U.S. \$ 500.00
(b) an application for consent to be registered under section 10 .....	U.S. \$ 500.00
(c) an application for recognition under section 19 .....	U.S. \$ 500.00
(d) an application for a licence under section 23 .....	U.S. \$ 500.00
(e) an application to be recognised as a manager under these Regulations .....	U.S. \$ 500.00

PART III

[Section 28(1) and (2).]

(A) Fee payable upon application for registration, recognition or license pursuant to section 28(1)—	
(a) application fee .....	U.S. \$ 500.00
(b) by a registered public fund .....	U.S. \$ 600.00
(c) by a recognised private fund .....	U.S. \$ 600.00
(d) by a person licensed as manager or administrator .....	U.S. \$ 500.00
(e) by a person licensed as a manager and administrator .....	U.S. \$1,000.00
(f) by a person who is a recognised manager .....	U.S. \$ 500.00
(B) Annual fees payable pursuant to section 28(2)—	
(a) by a registered public fund .....	U.S. \$ 600.00
(b) by a recognised private fund .....	U.S. \$ 600.00
(c) by a person licensed as manager or administrator .....	U.S. \$ 500.00
(d) by a person licensed as a manager and administrator .....	U.S. \$1,000.00
(e) by a person who is a recognised manager .....	U.S. \$ 500.00

**Second Schedule**

SAINT VINCENT AND THE GRENADINES

MUTUAL FUNDS REGULATIONS, 1999

*Offering Document Synopsis*

.....

Name of Mutual Fund

Pursuant to the Mutual Funds Act, 1997, as amended, and associated regulations, any Public Mutual Fund or Private or Accredited Mutual Fund which will solicit sales of its shares or units to persons ordinarily resident in Saint Vincent, except those persons exempt under the terms of the Act, must submit the following particulars to the Registrar of Mutual Funds:

1. TYPE of entity.  
.....
2. DESCRIPTION of equity interest – specify—
  - (a) Maximum and minimum aggregate amount of offering (for each class if applicable)  
.....  
.....  
.....

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- .....
- (b) Describe (for each class if applicable), as set out in the Offering Document, the following:
  - (i) investment objectives
    - .....
    - .....
    - .....
  - (ii) investment restrictions
    - .....
    - .....
    - .....
  - (iii) risk factors of the fund
    - .....
    - .....
    - .....

(c) Minimum investment for investor  
 .....

(d) Actual or expected size of shareholder base (for each class if applicable)  
 .....

(e) Frequency of valuation and shareholder issues and redemptions  
 .....

(f) Base currency of shares and fund accounting  
 .....

(g) Whether shares issued in bearer or registered form  
 .....

3. SPECIFY name(s) and address(es) of—

(a) Directors  
 .....

(b) Trustee  
 .....

(c) General partner  
 .....

(and list directors of General Partner if Limited Partnership)

Mutual Funds Act – Subsidiary Legislation

.....  
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.....

4. SPECIFY name and address of Registered Office as defined in the Mutual Funds Act, 1997, as amended.

.....  
.....  
.....

5. SPECIFY names and address of all service providers including—

(a) Distributor

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.....  
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(b) Custodian

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.....  
.....

(c) Promoter/Sponsor

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.....

(d) Manager

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(e) Administrator

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(f) Investment or Trading Manager

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(g) Investment or Trading Advisors

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(h) Bankers

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Mutual Funds Act – Subsidiary Legislation

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(i) Lawyers/Barristers/Solicitors

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6. SPECIFY name and address of auditors and financial year end.

.....  
.....  
.....

7. IDENTIFY stock Exchange if listed of if proposed to be listed (if any).

.....  
.....

8. ATTACH Certified copy of Certificate of Incorporation or Evidence of Registration.

.....  
.....  
.....

The undersigned hereby confirms that he/she is authorised to execute this document on behalf of the mutual fund to which this relates, and that the information contained in this Application is true and accurate as of the date shown below.

This ..... day of ....., 20.....

Mutual Fund: .....

By: .....

Title: .....

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