

# **The Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended**

## **Notifications of new Directors, Controllers and Partners of Licensees under The Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended**

Amendments to The Protection of Investors (Bailiwick of Guernsey) Law, 1987 (“the Law”) in 2003 introduced provisions requiring potential directors, controllers or partners of licensees to obtain prior consent from the Commission to their appointment or control. Experience has shown that these provisions are not always clearly understood. This note and associated notification form is therefore being released to assist those affected by providing a simple process for seeking consent and providing this associated information which the Commission requires to deal with applications promptly.

### **Law Requirements**

Under section 28A of the Law, no person shall become a director, controller or partner of a licensee without the Commission’s prior written statement of no objection. Under the Law, the Commission has a maximum of 60 days upon receipt of the notification to give its no objection. However, the Commission may take into account commercial deadlines when prioritising its workload. Please note that a person who becomes a director, controller or partner in contravention of section 28A may be liable on conviction to a fine.

Upon receipt of the Commission’s written statement of no objection to a change of director, and subsequent appointment to the Board of the licensee, the licensee must confirm the date of the appointment within 14 days of that appointment in order to comply with section 27C of the Law. A licensee who fails to give notice in accordance with this section commits an offence and may be liable on summary conviction to a fine not exceeding level 5 on the uniform scale.

### **Submission of Forms 28A, PQ and PD**

A proposed director, controller or partner of a licensee must sign and complete a Form 28A and send it either directly to the Commission or via the relevant licensee or administrator of that licensee. Please note that a change of trustee of a trust which is at the top of the ownership structure is considered a change of controller and therefore the proposed trustee should submit a Form 28A.

If the individual is not known to the Commission, or their previously submitted Form PQ is older than five years, a Form PQ should also be submitted. In all other cases, a Form PD should be submitted instead of a Form PQ.

### **Additional documentation to be submitted for a proposed controller which is a corporate entity**

- Details of the proposed controller's authorisation by any regulatory authority, including membership number. If the proposed controller is not itself regulated, please give details of any regulatory approvals held by its principals.
- Details of the proposed controller's main activities, including its operating history. Corporate literature may be provided to satisfy this question.
- Details of the ultimate beneficial ownership of the proposed controller, including the full name of any individual or entity with any interest of 15% or greater, who should complete a Form PQ if not known to the Commission. The name and address of any individual or entity with any interest of 5% or more but less than 15% should also be provided.
- If the proposed controller is part of a group, a complete structure diagram showing ultimate beneficial ownership, any intermediate or holding companies and any other companies in the group. Where not already explicit, details should be provided of the principal activities of these companies and the jurisdiction in which they are domiciled.
- If the proposed new controller is a corporate entity which is not known to us, the Commission will require the latest audited accounts and management accounts, if the year end is older than six months from the date of submission of the Form 28A.
- Forms PQ or PD for the directors of the proposed controller.