

Proposed amendments to the Licensee (Conduct of Business) Rules 2014 (“the Licensee Rules 2014”)

Background:

Prior to the launch of the on-line submission portal, the paper Annual Compliance Return, completed by all licensees was annexed to the Licensee Rules 2014, as Schedule 1. As a consequence of the transfer from a paper return to an online return, the Licensee Rules 2014 are now out of date and require minor amendments to reflect the use of the online portal.

Existing rule:

“3.4. Annual Compliance Return

3.4.1 A *licensee* must file annually with *the Commission* its *compliance return* in the format defined in Schedule 1 and within the timeframe stated in Rule 4.2.6.

Guidance note:

In order to be able to file the *compliance return*, the *licensee* should consider the relationship between its compliance monitoring programme and the required considerations within the *compliance return*. The *Board* of the *licensee* should not be in a position to complete the *compliance return* without an effective compliance monitoring programme.”

Proposed amended wording of rule 3.4.1 and Schedule 1:

“3.4. Annual Compliance Return

3.4.1 A *licensee* must ~~file~~ submit annually ~~with~~ to *the Commission* its *compliance return* in the format defined in Schedule 1 and within the timeframe stated in Rule 4.2.6.

~~Guidance note:~~

~~In order to be able to file the *compliance return*, the *licensee* should consider the relationship between its compliance monitoring programme and the required considerations within the *compliance return*. The *Board* of the *licensee* should not be in a position to complete the *compliance return* without an effective compliance monitoring programme.”~~

Schedule 1: delete the entire text and replace with:

“Schedule 1 – Compliance Return

Form 142 (Investment Audited Financial Statements and Compliance Returns (Licensee)) as detailed from time to time on the Licensee’s timeline on their online submission page.

The Guidance Note can be deleted as the guidance relating to the completion of Form 142 is contained within the online form.”