

A Year in Review Part 1

The Financial Services Regulatory Commission (FSRC) began 2015 with renewed emphasis on Training for regulated entities and ensuring a high level of Compliance with relevant legislation.

Licensed Entities/Persons

In 2015, the following entities/persons were licensed by the FSRC—St. Kitts Branch to operate in the Federation of St. Kitts and Nevis:

Domestic Insurance Companies

- National Caribbean Insurance Company Ltd.
- St. Kitts-Nevis Insurance Company Limited (SNIC)
- American Home Assurance Company
- Pan-American Life Insurance Company of the Eastern Caribbean Ltd.
- The Beacon Insurance Company
- Caribbean Alliance Insurance Company
- Guardian General Insurance Ltd.
- Gulf Insurance Limited
- Island Heritage Insurance Company Ltd.
- Nagico Insurance Company Ltd
- Sagicor Life Inc
- Scotia Insurance Eastern Caribbean Limited
- The Insurance Company of the West Indies (Cayman) Ltd.

Money Services Businesses

- * MP Express Service Ltd.
- * CML (SKN) Ltd.
- * Advance Caribbean (St. Kitts-Nevis) Ltd.
- * FastCash (KN) Ltd
- * Money Gram
- * Grace Kennedy Money Services St. Kitts-Nevis Ltd. (doing business as Western Union)

Credit Unions

- * St. Kitts Co-operative Credit Union Limited
- * Nevis Co-operative Credit Union Limited
- * FND Enterprise Co-operative Credit Union Limited
- * Police Co-operative Credit Union Limited

Seventy-four (74) Trust and Corporate Service Providers consisting of Accountants, Lawyers and Persons with the relevant experience in company formation. *(Please see the complete list on our website).*



Capacity Building and Training

Risk Assessment Model Training

In January 2015, the Financial Services Regulatory Commission (FSRC) St. Kitts Branch participated in a 3-day Risk Assessment Model Training. The training was conducted by Mr. Courtney Christie-Veitch, Financial Sector Advisor for the Caribbean Regional Technical Assistance Center (CARTAC). The staff members of the FSRC - St. Kitts Branch were introduced to a Risk Assessment Framework which is designed to perform risk assessments on the operations of regulated entities/persons to determine their various levels of risk. The framework outlines the Level of Inherent Risk, the Quality of Risk Management and provides a Composite Risk Rating for the Regulated Entities/Persons using a scoring system.

Inherent Risk is the probability of adverse events arising out of circumstances or threats existing in an environment in the absence of any controls or systemic measures. Once the Inherent Risk is determined, the Quality of Risk Management is assessed to ascertain whether it is 'Strong', 'Satisfactory', 'Needs Improvement', 'Deficit' or 'Critically Deficit'. After all factors are considered, the Composite Risk Rating is calculated and categorized as either 'Low', 'Medium' or 'High'. This framework has been integrated into the on-site and off-site analysis and supervision of regulated entities/persons in St. Kitts-Nevis.

Trustee Development Program

In June 2015, the FSRC hosted a 3-day Workshop at the St. Kitts Marriott Resort. The Workshop covered three (3) Modules: 1) *Pension Basics*, 2) *Trustees and the Law*, and 3) *Trustees and Plan Governance*. Participants included individuals appointed as Trustees of Registered Private Pension Plans in St. Kitts and Nevis who were apprised of the responsibilities and obligations under the Insurance Act, Cap 21.11. Upon completion of the 3-day Workshop, each participant was awarded with a Trustee Development Program Certification.

Awareness

During January - June 2015, the FSRC – St. Kitts Branch held three (3) awareness seminars with various regulated entities/persons. Topics covered were as follows:

- * Recognition and Reporting of Suspicious Transactions/Activities;
- * Appointment of a Compliance Officer (CO);
- * Independent Internal Audit;
- * Risk Assessment; and
- * AML/CFT Policies and Procedures.



Number of On-Site Examinations

The FSRC conducted six (6) On-Site Examinations during the period January—June 2015:

- * One (1) Money Service Business;
- * Two (2) Service Providers;
- * One (1) Domestic Insurance Company;
- * One (1) Credit Union; and
- * One (1) Commercial Bank (AML/CFT).

Newsletter Topics for 2015

- * January—Do You Know Your Risk?
- * February—Fiduciary Services
- * March—Designated Non-Financial Businesses & Professions (DNFBPs)
- * April—Foreign Account Tax Compliance Act (FATCA)
- * May—Money Services Businesses
- * June—Politically Exposed Persons (PEPs)

Please visit our website for all newsletters.

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