



ANGUILLA FINANCIAL SERVICES COMMISSION

23 November 2020

Consultation Note: The Securities and Investment Funds Bill

The Anguilla Financial Services Commission has issued the draft Securities and Investment Funds Bill for consultation. As a part of ongoing legislative reform, these Bills are a part of the update to Anguilla's regulatory regime. The securities and investment funds legislation in Anguilla will enable the establishment of fund structures primarily intended for investment by institutional, professional, sophisticated, and high net worth investors. The regulatory regime will be a lighter touch, and focused on institutional investors, with the exception of public (retail) funds. The draft bill allows for investment funds to be established with all currencies, with the exception of the Eastern Caribbean dollar.

The draft Bill provides for various categories in which a fund may be registered, as well as provides a regulatory regime for persons seeking to operate as administrator, depositary, custodian, promoter, or manager of a fund. In addition, the bill outlines the framework for regulated Digital Payment Token Services. Of note, only approved professional funds can be established to invest in cryptocurrencies, digital payment tokens or other digital assets or carrying on any other digital payment token service in or from within Anguilla.

As a compliment to the draft Variable Capital Company ("VCC") Bill published for consultation on 16 October 2020 under the draft Securities and Investment Funds Bill, an entity is incorporated as a VCC may be formed as a fund with a variable capital structure with ability to pay dividends out of capital. The draft Bill also introduces the regulation of Securities Exchanges.

Funds will also be required to comply with Anguilla's anti-money laundering controls and tax information reporting requirements, which are fully compliant with FATCA and the OECD Common Reporting Standard (CSR). In addition, this regime is intended to ensure compliance with the EU Technical Guidance on Substance Requirements for Collective Investment Funds and other relevant EU Directives.

The Commission hereby invites persons to provide comments to the draft ABC Bill. Persons are invited to provide their comments no later than Monday, 11th January, 2021 to the Commission at sherine.brooks@afsc.ai

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