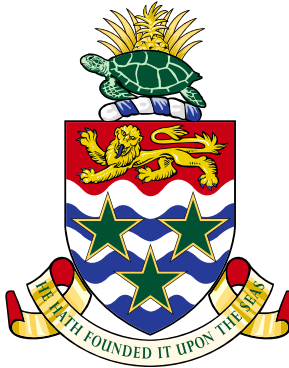


CAYMAN ISLANDS



MONEY SERVICES ACT

(2024 Revision)

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Law 13 of 2000 consolidated with Laws 38 of 2002, 35 of 2009, 19 of 2019 and Act 5 of 2023 and as amended by Act 56 of 2020.

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Act 56 of 2020-7th December, 2020

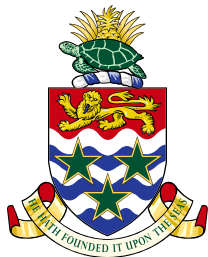
Act 5 of 2023-28th April, 2023.

Consolidated and revised this 31st day of December, 2023.

Note (not forming part of this Act): This Revision replaces the 2020 Revision which should now be discarded.



CAYMAN ISLANDS



MONEY SERVICES ACT
(2024 Revision)

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CAYMAN ISLANDS



MONEY SERVICES ACT

(2024 Revision)

Short title

1. This Act may be cited as the *Money Services Act (2024 Revision)*.

Interpretation

2. In this Act —

“**Authority**” means the Cayman Islands Monetary Authority established under section 5(1) of the *Monetary Authority Act (2020 Revision)* and includes any employee of the Cayman Islands Monetary Authority acting under the Authority’s authorisation;

“**Court**” means the Grand Court;

“**exempted limited partnership**” has the meaning assigned by section 2 of the *Exempted Limited Partnership Act (2021 Revision)*;

“**financial year**”, in relation to a licensee, means the period not exceeding fifty-three weeks at the end of which the balance of the licensee’s accounts is struck or, if no such balance is struck or if a period in excess of fifty-three weeks is employed, then a calendar year;

“**licence**” means a licence granted under section 5;

“**licensee**” means a person holding a licence under this Act;

“**limited liability partnership**” means a limited liability partnership registered under section 18(4) or 33(4) of the *Limited Liability Partnership Act (2023 Revision)*;

“**money services business**” means the business of providing, in or from within the Islands, any of the following services —

- (a) money transmission;
- (b) cheque cashing;
- (c) currency exchange;
- (d) the issuance, sale or redemption of money orders or traveller’s cheques; and
- (e) such other services as the Cabinet may specify by notice published in the Gazette; and

“**net worth**” means excess assets over liabilities as presented under applicable generally accepted accounting principles subject to adjustment for non-admitted assets as determined by the Authority;

“**partnership**” has the meaning assigned by section 3 of the *Partnership Act (2013 Revision)*; and

“**sub-agent**” means a person who provides any of the services specified in paragraphs (a) to (e) in the definition of “**money services business**” on behalf of a licensee pursuant to —

- (a) a contract between the sub-agent and the licensee; or
- (b) an arrangement between the sub-agent and the licensee;

Extent of the Act

3. (1) This Act does not apply to —

- (a) a person who the Authority determines is not providing a service under paragraph (a) of the definition of “**money services business**”; or
- (b) any of the following persons —
 - (i) a person licensed under the *Banks and Trust Companies Act (2020 Revision)* to carry on money services business in conjunction with other business;
 - (ii) a building society licensed under the *Building Societies Act (2020 Revision)*; or
 - (iii) a cooperative society registered under the *Cooperative Societies Act (2020 Revision)* and carrying on money services business, unless the licensed person, building society or cooperative society is operating as an agent or franchise holder of a money services business.

(2) No money services business which is licensed under this Act is required to be licensed under the *Trade and Business Licensing Act (2019 Revision)*.



Licence required to carry on money services business

4. (1) Subject to section 3(2), any person who carries on money services business without first obtaining a licence under section 5, commits an offence.
- (2) A person who commits an offence under subsection (1) is liable on summary conviction to a fine of ten thousand dollars and to imprisonment for one year and, in the case of a continuing offence, to a fine of one thousand dollars for each day during which the offence continues.

Application for, and grant of, licence

5. (1) Any person desirous of carrying on money services business, shall make an application in writing to the Authority for the grant of a licence.
- (2) An application for a licence shall contain such information and particulars and shall be accompanied by such details and things as may be prescribed.
- (3) The Authority may grant a licence in the prescribed form, subject to such terms and conditions, at the time of licensing or any time thereafter as the Authority may consider appropriate having regard to the nature, risk and scale of the business.
- (4) The application shall be accompanied by the prescribed application fee which shall be forwarded by the Authority to the Financial Secretary for the benefit of the revenue.
- (5) A licence shall not be granted in respect of a money services business unless the person applying for the licence has, in the Islands, a place of business approved by the Authority, which will be the principal office, in the Islands, for that money services business.
- (6) A licence granted under subsection (3) shall be granted for the carrying on of money services business within the Islands but subject to such conditions as may be prescribed by this Act or imposed by the Authority.
- (7) It is a condition of every licence that the licensee —
- (a) shall not change its name without the prior approval of the Authority;
 - (b) shall not cease to have a principal office in the Islands;
 - (c) shall not change its principal office in the Islands without the prior approval of the Authority; and
 - (d) shall notify the Authority forthwith of any change in the information supplied in the application for the licence.
- (8) Conditions imposed by the Authority under subsection (6) may at any time be varied or revoked by the Authority.
- (9) Every holder of a licence shall, on or before every 15th day of January after the first grant of the licence, pay —

- (a) the prescribed annual fee for a licence to carry on a money services business; and
- (b) the prescribed annual fee for each subsidiary, branch, agency or representative office of that business,

and, except where the Authority waives the surcharge, there shall be payable by a licensee who fails to pay the prescribed annual fees by that date, a surcharge not exceeding one-twelfth of that fee for every month or part of a month that the fee is not paid.

- (10) Without prejudice to subsections (1) to (9), if the annual fee referred to in subsection (9) is not paid by the holder of a licence on or before every 15th day of January after the first grant of the licence, the unpaid annual fee may be sued for by the Crown by action as a civil debt and the Crown may require, and the court may order, the payment of any penalties accrued in respect of the late payment of the fee.
- (11) The Authority may refuse to grant a licence if the Authority is of the opinion that the person applying for the licence would fail to fulfil the obligations of a licensee under this Act.
- (12) In subsection (10) —
“court” means the Grand Court or a court of summary jurisdiction, as the case may be.

Requirement for account or arrangement approved by Authority

5A. Every licensee shall —

- (a) maintain at least one account as approved by the Authority; or
- (b) enter into an arrangement as agreed by the Authority,

through which its money services business transactions are to be conducted.

Net worth requirements

- 6. (1) The Authority shall not grant a licence to a person whose net worth is less than thirty thousand dollars or its equivalent in other currencies.
- (2) It is a condition of every licence that the licensee shall maintain its net worth at an amount not less than that prescribed by subsection (1).
- (3) When the Authority has reasonable cause to believe that there are grounds for doing so, the Authority may require a licensee to increase its net worth by increasing its paid-up capital to such greater sum as the Authority may determine for the nature of the licensee’s business, current or proposed.



Shares not to be issued or transferred without approval of Authority

- 6A.** (1) Shares totaling more than ten per cent of the authorised share capital of a company that is a licensee under this Act shall not be issued, and issued shares totaling more than ten per cent of the issued share capital or total voting rights of a company that is a licensee under this Act shall not be transferred or disposed of in any manner, without the prior written approval of the Authority.
- (2) The licensee shall provide the information under subsection (1) to the Authority within such period of time as the Authority may require, in order that the Authority may assess whether a person acquiring control or ownership of such shares or voting rights in the licensee is a fit and proper person to have such control or ownership.
- (3) The Authority may exempt a licensee whose shares, or those of its parent body (if any), are publicly traded on a stock exchange recognised by the Authority from the requirements under subsection (1) and any such exemption shall be subject to —
- (a) a condition that the licensee shall, as soon as reasonably practicable, notify the Authority in writing of —
- (i) any change in control of the licensee;
 - (ii) the acquisition by any person or group of persons of shares representing more than ten per cent of the licensee's issued share capital or total voting rights; or
 - (iii) the acquisition by any person or group of persons of shares representing more than ten per cent of the issued share capital or total voting rights of the licensee's parent company;
- (b) a condition that the licensee shall, as soon as reasonably practicable, provide such information to the Authority, within such period of time as the Authority may require, for the purpose of assessing whether persons acquiring control or ownership of the licensee in the circumstances set out in paragraph (a) are fit and proper persons to have such control or ownership; and
- (c) such terms and conditions as the Authority may consider necessary.
- (4) In subsection (1), the reference to shares being transferred or disposed of includes the transfer or disposal of —
- (a) the legal interest in the shares; and
 - (b) any beneficial interest in the shares.
- (5) For the avoidance of doubt, the references in this section to shares totaling more than ten per cent include cumulative acquisition of shares or voting rights which may be less than ten per cent but which amount to more than ten per cent of the authorised share capital of a company.

Advertisement of money services business

7. (1) No person, other than a licensee, shall —
- (a) use words representing that that person is carrying on money services business, in English or in any other language, in the description or title under which that person carries on business within the Islands;
 - (b) make any representation in any billhead, letter, letterhead, circular, paper, notice or advertisement or in any other manner that that person is carrying on money services business within the Islands; or
 - (c) in any manner solicit or receive money from any person for the purpose of carrying on money services business within the Islands.
- (2) The Authority may refuse to grant a licence to a person, or if a person is already in possession of a licence, the Authority may revoke the licence, if, in the Authority's opinion, such person is carrying on or intending to carry on money services business under a name which —
- (a) is identical with that of any company, firm or business house, whether within the Islands or not, or which so nearly resembles that name as to be calculated to deceive;
 - (b) is calculated to suggest, falsely, the patronage of or connection with some person or authority, whether within the Islands or not; or
 - (c) is calculated to suggest, falsely, that the money services business has a special status in relation to or derived from the Government, has the official backing of or acts on behalf of the Government or any department, branch, agency or organ of Government, or of any officer thereof, or is recognised in the Islands as a national or central money services business.
- (3) Any person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine of five thousand dollars and to imprisonment for six months and, in the case of a continuing offence, to a fine of five hundred dollars for each day during which the offence continues.

Accounting records and systems of business control

8. (1) Every licensee shall, in respect of its money services business —
- (a) cause accounting records to be kept; and
 - (b) establish and maintain systems of control of the business and records, and systems of inspection and report,
- in accordance with this section.
- (2) The accounting records of a licensee shall —
- (a) explain its transactions;



- (b) disclose, with reasonable accuracy and promptness, the state of the business at any time;
 - (c) enable the directors properly to discharge their duties; and
 - (d) enable the business properly to discharge its duties.
- (3) The accounting records shall, in particular, contain —
 - (a) entries from day to day of all sums received and paid by the business and the matters in respect of which they are received or paid; and
 - (b) a record of the assets and liabilities of the business.
- (4) The systems of control and of inspection and report shall secure that the money services business is so conducted and its records so kept that —
 - (a) the information necessary to enable the directors and the business to discharge their duties and functions is sufficiently accurate, and is available with sufficient regularity or at need and with sufficient promptness, for those purposes; and
 - (b) the information obtained by or furnished to the Authority under or for the purposes of this Act is sufficiently accurate for the purpose for which it is obtained or furnished.

Compliance with anti-money laundering procedures

- 8A.** (1) A licensee and any sub-agent of the licensee shall, in respect of the money services business, take such steps as may be necessary to comply with the *Anti-Money Laundering Regulations (2020 Revision)* and such rules or statements of principle or guidance as may be prescribed by the Authority that are consistent with anti-money laundering procedures and the combatting of terrorist financing.
- (2) A licensee shall monitor the compliance of the licensee's sub-agent, if any, with the prescribed rules or statements of principle or guidance under subsection (1) and may be required by the Authority to provide a report on the compliance in such form and subject to such conditions as may be prescribed.
- (3) The report under subsection (2) shall be subject to such conditions as the Authority may consider necessary.
- (4) A licensee and the licensee's sub-agent, if any, shall comply with the Authority where the Authority requires specified information or documents in accordance with section 34(8) of the *Monetary Authority Act (2020 Revision)*.

Returns

- 9.** Every holder of a licence shall, at such times as may be specified by the Authority, furnish to the Authority —

- (a) written confirmation that the information set out in the application for the licence remains correct, and gives a full and fair picture of its money services business; and
 - (b) such returns in respect of its money services business as the Authority may specify in writing,
- in such form as the Authority may reasonably require.

Accounts

- 10.** (1) Every licensee shall have the accounts of its money services business audited annually or at such other times as the Authority may require by an auditor, who shall be a chartered accountant, a certified public accountant, or some other professionally qualified accountant, approved by the Authority.
- (2) The audited accounts shall be forwarded to the Authority within three months of the end of the financial year of the licensee's money services business, unless prior written approval for an extension has been granted by the Authority.

Auditor's certificate

- 11.** The Authority may, at the expense of the licensee, require the licensee to obtain an auditor's report on the licensee's anti-money laundering systems and procedures for compliance with the *Anti-Money Laundering Regulations (2023 Revision)*.

Authority may summon auditor

- 12.** (1) The Authority may summon the auditor or any former auditor of a licensee's money services business for the purpose of making enquiries into the operations and financial position of the business.
- (2) Where an auditor is summoned under subsection (1), the Authority shall in writing notify the licensee concerned which shall have the right to attend any meeting held by the Authority with the auditor.

Auditor's notice of resignation

- 13.** Where an auditor appointed by a licensee —
- (a) intends to resign during the currency of that person's appointment; or
 - (b) has given written notice to the licensee of that person's unwillingness to be considered for reappointment at the expiration of the period for which that person is appointed,
- the auditor shall give written notice to the Authority accordingly, and shall in such notice state the reasons for that person's intention to resign or that person's unwillingness to be considered for reappointment.

Notice of termination of auditor's appointment

- 14.** Where a licensee —



- (a) intends to terminate the appointment of its auditor; or
 - (b) decides that the auditor shall not be reappointed,
- the licensee concerned shall notify the Authority accordingly, and shall in such notification state the reason for such intention or decision.

Obligations of auditors

- 14A.(1)** Where an auditor, in the course of carrying out an audit of the accounts of a licensee, obtains information or suspects that the licensee is —
- (a) unable or likely to become unable to meet its obligations as they fall due;
 - (b) carrying on or attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors;
 - (c) carrying on or attempting to carry on business without keeping any or sufficient accounting records to allow its accounts to be properly audited;
 - (d) carrying on or attempting to carry on business in a fraudulent or criminal manner; or
 - (e) carrying on or attempting to carry on business without compliance with —
 - (i) this Act or any regulations made hereunder;
 - (ii) the *Monetary Authority Act (2020 Revision)*;
 - (iii) the *Anti-Money Laundering Regulations (2023 Revision)*; or
 - (iv) a condition of the licence,
- the auditor shall immediately give the Authority written notice of the information or suspicion and, in the case of suspicion, the reason for that suspicion.
- (2) Without prejudice to subsection (8), where it appears to the Authority that an auditor has failed to comply with subsection (1), the Authority may disqualify the auditor from being an auditor of a licensee and the Authority may remove any disqualification imposed under this subsection if it is satisfied that the auditor in question will comply with subsection (1) in the future.
 - (3) A licensee shall not appoint as an auditor a person who is disqualified under subsection (2).
 - (4) Where the Authority has granted approval of an auditor under this Act, the approval may be revoked by the Authority if it is of the opinion that the auditor is not sufficiently competent to carry out an audit of the accounts of a licensee or that the auditor is incapable of carrying out the audit objectively.
 - (5) No person carrying out or charged with the carrying out of any duty, obligation or function under this section shall be liable to any other person for anything done or omitted to be done in respect of the discharge or purported discharge of that duty, obligation or function unless it is shown that the act or omission was in bad faith.

- (6) A reference in this section to an auditor carrying out an audit of the accounts of a licensee includes an auditor who was engaged to carry out such audit or who was in the course of carrying out such an audit but resigned before carrying out or completing the audit or whose contract to carry out or complete the audit was otherwise terminated.
- (7) Nothing in subsection (1) shall impose on an auditor carrying out an audit of the accounts of a licensee an obligation to do anything that the person would not otherwise be required to do in accordance with generally accepted auditing standards, other than the obligation to provide notice and reasons to the Authority.
- (8) A person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine of twenty thousand dollars.

Consequences of auditor's disclosure

- 15.** An auditor or former auditor of a licensee shall not be regarded as being in breach of that person's duty to the licensee in consequence of any disclosure to the Authority under sections 11 to 14.

Prohibitions on certain licensees

- 16.** A licensee incorporated under the *Companies Act (2023 Revision)* shall not, without the prior written approval of the Authority, open, in or outside the Islands, a subsidiary, branch, agency or representative office.

Number and approval of directors

- 17.** (1) A licensee shall, at no time, have less than two directors.
- (2) Unless exempted from such a requirement by the Authority, a licensee shall, before the appointment of a director or other senior officer, apply to the Authority for its written approval of such appointment.
- (3) Approval granted under subsection (2) —
- (a) lapses if the director or senior officer becomes bankrupt or is convicted of an offence involving dishonesty; and
 - (b) may be revoked by the Authority.

Powers and duties of the Authority

- 18.** (1) It is the duty of the Authority —
- (a) to maintain a general review of money services business practice in the Islands;
 - (b) whenever the Authority thinks fit, to examine the affairs or business of any licensee carrying on business within the Islands for the purpose of satisfying itself that this Act has been or is being complied with, and that



- the licensee is in a sound financial position and is carrying on its business in a satisfactory manner;
- (c) to assist in the investigation of any offence against the laws of the Islands which the Authority has reasonable grounds to believe has or may have been committed by a licensee or by any of its directors or officers in their capacity as such; and
 - (d) to examine —
 - (i) returns furnished to the Authority under section 9; and
 - (ii) audited annual accounts forwarded to the Authority under section 10, and to report on them to the Cabinet whenever the Authority thinks fit.
- (2) In matters relating to money services business, the Authority shall take all necessary action to ensure the proper and just implementation of this Act.
- (3) In the performance of its functions under this Act and subject to the *Monetary Authority Act (2020 Revision)*, the Authority is entitled at all reasonable times —
- (a) to have access to such books, records, vouchers, documents, cash and securities of any licensee;
 - (b) to request such information, matter or thing from any person who the Authority has reasonable grounds to believe is carrying on money services business in contravention of section 4(1); and
 - (c) to call upon the manager of the licensee or any similar person, or any officer designated by either of them, for such information or explanation, as the Authority may reasonably require for the purpose of enabling it to perform its functions under this Act; and information requested under paragraph (b) shall be provided in such form as the Authority may reasonably require.
- (4) If it appears to the Authority that there is reasonable ground for suspecting that an offence against this Act has been or is being committed by any person, the Authority may, with the approval of the Court, take such action as it considers necessary, in the interest of the customers of a licensee or creditors of that person, to preserve any assets held by that person.
- (5) Any person who fails to comply with any requirement under subsection (3) by the Authority commits an offence and is liable on summary conviction to a fine of five thousand dollars and to imprisonment for six months.

Powers of Authority in respect of licensees

- 19.** (1) Whenever the Authority is of the opinion that —
- (a) a licensee is or appears likely to become unable to meet its obligations as they fall due;

- (b) a licensee is carrying on business in a manner detrimental to the public interest or the interest of its customers or creditors;
- (c) a licensee has contravened this Act;
- (d) a licensee has failed to comply with a condition of its licence; or
- (e) there has been or is, on the part of a licensee or its directors, a failure to satisfy any one or more of the criteria of prudent management set out in section 20(1),

the Authority may forthwith do any of the following —

- (i) revoke the licence;
 - (ii) impose conditions, or further conditions, as the case may be, upon the licence and may amend or revoke any such condition;
 - (iii) require the substitution of any director or officer of the licensee;
 - (iv) at the expense of the licensee, appoint a person to advise the licensee on the proper conduct of its affairs and to report to the Authority thereon within three months of the date of that person's appointment;
 - (v) at the expense of the licensee, appoint a person to assume control of the licensee's affairs who shall, with any necessary changes, have all the powers of a person appointed, under section 18 of the *Bankruptcy Act (1997 Revision)*, as a receiver or manager of a business; and
 - (iv) require such action to be taken by the licensee as the Authority considers necessary.
- (2) Notwithstanding section 27(1), a licensee may, within seven days of the Authority's decision to revoke a licence under subsection (1)(i), apply to the Authority for a reconsideration of its decision.
- (3) A person appointed under subsection (1)(iv) or (v) or whose appointment has been extended under subsection (4)(b) shall from time to time at that person's discretion and in any case within three months of the date of that person's appointment or of the extension of that person's appointment (as the case may be), prepare and furnish a report to the Authority of the affairs of the licensee and of that person's recommendations thereon.
- (4) On receipt of a report under subsection (3), the Authority may —
- (a) revoke the appointment of the person appointed under subsection (1)(iv) or (v);
 - (b) extend the period of that person's appointment;
 - (c) subject to such conditions as the Authority may impose, allow the licensee to reorganise its affairs in a manner approved by the Authority;
 - (d) revoke the licence and apply to the Court for an order that the licensee be forthwith wound up by that Court in which case the provisions of the



Companies Act (2023 Revision) relating to the winding up of a company by that Court shall, with any necessary changes, apply.

- (5) Notwithstanding any provision in this section, the Authority may revoke a licence if the licensee —
 - (a) has ceased to carry on money services business; or
 - (b) goes into liquidation or is wound up or otherwise dissolved.
- (6) Whenever the Authority revokes a licence under subsection (1)(i), (4)(d) or (5), the Authority shall cause notice of such revocation to be gazetted, and may also cause such notice to be published (whether within the Islands or elsewhere) in such newspaper or other publication as the Authority may consider necessary in the circumstances.

Criteria of prudent management.

20. (1) For the purposes of section 19(1)(e), the criteria of prudent management are —
- (a) maintenance of —
 - (i) adequate reserves and other capital resources;
 - (ii) adequate assets in liquid form;
 - (iii) a system for managing and containing risks to the net worth of the licensee's business and risks to its net income, whether arising from fluctuations in interest or exchange rates or from other factors; and
 - (iv) the requisite accounting records and systems of control of business and of inspection and report;
 - (b) direction and management conducted with prudence and integrity by a sufficient number of persons who are fit and proper to be directors or, as the case may be, officers in their respective positions; and
 - (c) conduct of the licensee's business with adequate professional skills.
- (2) The following provisions apply for the interpretation of the list of criteria in subsection (1) in their application to a licensee's business —
- “adequate”**, except with reference to liquidity, means adequate having regard to the range and scale of the business;
- “adequate”**, with reference to liquidity, means of such proportion and composition as will at all times enable the business to meet its liabilities as they arise and “liquid form”, in relation to assets, shall be construed accordingly;
- “business”** includes business the licensee proposes to conduct;
- “requisite”**, with reference to accounting records and systems of control, means such as are required by section 8;
- “sufficient”**, with reference to the number of directors and officers, means sufficient having regard to the range and scale of the business.

- (3) In determining for the purposes of subsection (1)(b) whether a person is a fit and proper person to hold a particular position in a licensee's business, regard shall be had, in particular —
 - (a) to that person's probity;
 - (b) to that person's competence and soundness of judgement for fulfilling the responsibilities of that position;
 - (c) to the diligence with which that person is fulfilling or likely to fulfil those responsibilities; and
 - (d) to whether the interests of customers of the business are, or are likely to be, in any way threatened by that person's holding that position.
- (4) Nothing in this section shall give rise to any claim against a licensee's directors or money services business, or afford a defence to any claim made by a money services business.

Authority may apply to Court to preserve customers' interests

- 21.** The Authority may, in any case in which a licensee, or a person who has at any time been a licensee, is being wound up voluntarily, apply to the Court if the Authority considers that the winding up is not being conducted in the best interests of the licensee's customers or creditors, and the Court shall make such order as it considers appropriate.

Rules

- 22.** The Chief Justice may make rules governing the procedure in relation to applications to the Court under section 18(4), 19(4)(d) or 21.

Power of search

- 23.** (1) If a Magistrate or Justice of the Peace is satisfied by information on oath given by the Authority that —
- (a) there is reasonable ground for suspecting that an offence against this Act has been or is being committed and that evidence of the commission of the offence is to be found at any premises specified in the information, or in any vehicle, vessel or aircraft so specified; or
 - (b) any books, records, vouchers, documents, cash or securities which ought to have been produced under section 18(3) and have not been produced are to be found at any such premises or in any such vehicle, vessel or aircraft,
- that person may grant a search warrant authorising the Authority or any constable of the rank of Inspector or above, together with any other person named in the warrant and any other constables to enter the premises specified in the information or, as the case may be, any premises upon which the vehicle, vessel or aircraft so specified may be, at any time within one month from the



date of the warrant, and to search such premises or, as the case may be, such vehicle, vessel or aircraft.

- (2) The person authorised by any such warrant to search any premises or any vehicle, vessel or aircraft may search every person who is found in or whom that person has reasonable grounds to believe to have recently left or to be about to enter those premises or that vehicle, vessel or aircraft, as the case may be, and may seize any books, records, vouchers, documents, cash or securities found in the possession of any such person or in such premises or in such vehicle, vessel or aircraft which that person has reasonable grounds for believing ought to have been produced under section 18(3).
- (3) No female shall, in pursuance of any warrant issued under this section, be searched except by a female.
- (4) Where under this section a person has any power to enter any premises, that person may use such force as is reasonably necessary for the purpose of exercising that power.
- (5) Any person who obstructs the Authority or any other person in the exercise of any powers conferred under this section, commits an offence and is liable on summary conviction to a fine of five thousand dollars and to imprisonment for six months.

False or misleading information

24. Any licensee or any director or officer of a licensee who knowingly or wilfully supplies false or misleading information to the Authority, commits an offence and is liable on summary conviction to a fine of two thousand dollars and to imprisonment for three months.

General penalty

25. Any person who contravenes any provision or requirement of this Act for which no offence is specifically created commits an offence and is liable on summary conviction to a fine of two thousand dollars and to imprisonment for three months.

Offences by corporations, partnerships, limited liability partnerships etc.

26. (1) Where an offence under this Act which has been committed by a body corporate, is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of any director, manager, secretary or other officer of the body corporate or any person who was purporting to act in any such capacity, that person, as well as the body corporate commits that offence and is liable to be proceeded against and punished accordingly.
- (2) Where the affairs of a body corporate are managed by its members, subsection (1) shall apply in relation to the acts and defaults of the member in

connection with that person's functions of management as if that person were a director of the body corporate.

- (3) Where an offence under this Act is committed by a partnership, a limited liability partnership or an exempted limited partnership and it is proved that the offence —
- (a) was committed with the consent or connivance of; or
 - (b) is attributable to any neglect on the part of,
- a partner concerned in the management or control of a partnership or a limited liability partnership, or a partner who takes part in the conduct of the business of an exempted limited partnership, that partner, as well as the partnership, the limited liability partnership or the exempted limited partnership, as applicable, commits the offence and is liable to be proceeded against and punished accordingly.
- (4) Where an offence under this Act is committed by an unincorporated association other than a partnership, a limited liability partnership or an exempted limited partnership and it is proved that the offence —
- (a) was committed with the consent or connivance of; or
 - (b) is attributable to neglect on the part of,
- a person concerned in the management or control of the unincorporated association, that person, as well as the unincorporated association, commits the offence and is liable to be proceeded against and punished accordingly.

Appeals

- 27.** (1) An appeal lies to the Court from any decision of the Authority —
- (a) revoking a licence under section 7(2), 19(1)(i), 19(4)(d) or 19(5); or
 - (b) requiring a licensee to take certain steps which the Authority may specify under section 19.
- (2) An appeal against the decision of the Authority shall be by motion.
- (3) The appellant, within twenty-one days after the day on which the Authority has given its decision, shall serve a notice in writing signed by the appellant or that person's attorney-at-law on the Authority of that person's intention to appeal and of the general ground of that person's appeal.
- (4) Any person aggrieved by a decision of the Authority may, upon notice to the Authority, apply to the Court for leave to extend the time within which the notice of appeal prescribed by this section may be served and the Court upon the hearing of such application may extend the time prescribed by this section as it considers fit.
- (5) The Authority shall, upon receiving the notice of appeal, transmit to the Clerk of the Court without delay a copy of the decision and all papers relating to the



appeal, but the Authority is not compelled to disclose any information if it is considered that the public interest would suffer by such disclosure.

- (6) The Clerk of Court shall set the appeal down for argument on such day, and shall cause notice of the same to be published in such manner, as the Court may direct.
- (7) At the hearing of the appeal the appellant shall, before going into the case, state all the grounds of appeal on which that person intends to rely and shall not, unless by leave of the Court, go into any matters not raised by such statements.
- (8) The Court may adjourn the hearing of an appeal and may, upon the hearing thereof confirm, reverse, vary or modify the decision of the Authority or remit the matter with the opinion of the Court thereon to the Authority.
- (9) An appeal against a decision of the Authority shall not have the effect of suspending the execution of such decision.

Immunity

- 28.** The Authority shall not be liable in damages for anything done or omitted in the discharge or purported discharge of its functions under this Act, unless it is shown that the act or omission was in bad faith.

Regulations

- 29.** The Cabinet may make regulations —

- (a) to control the form of advertising by licensees;
- (b) to prescribe fees payable under this Act;
- (c) to prescribe the information and particulars to be contained in an application for a licence and the details and things to accompany the application;
- (d) to prescribe the forms of licences and other documents to be used for the purposes of, and in connection with, this Act;
- (e) to provide for the formation and maintenance, by the Authority, of a record of licensees; and
- (f) generally for carrying this Act into effect.

Policy directions.

- 30.** (1) The Authority may, from time to time, issue policy directions for the guidance of licensees in the exercise of their duties under this Act, and it shall be the duty of each licensee to put into effect and to carry out such directions.
- (2) Any licensee or any officer of a licensee who fails to comply with any direction issued under subsection (1), commits an offence and is liable on summary conviction to a fine of five thousand dollars and to imprisonment for six months.

Transaction fee

- 30A.**(1) Every licensee shall pay, into the revenues of the Islands, a transaction fee in the amount of 2% of the gross amount transferred overseas up to a maximum of ten dollars for each transaction.
- (2) The amount payable pursuant to subsection (1) shall be submitted on a quarterly basis in such form as the Authority may prescribe.
- (3) A licensee who fails to submit the fee specified in subsection (1) shall incur a surcharge not exceeding one-twelfth of that fee for every month or part of a month that the fee is not paid.

Repealed

- 31. Repealed** by section 10 of the *Money Services (Amendment) Law, 2019 [Law 19 of 2019]*.

Publication in consolidated and revised form authorised by the Cabinet this 30th day of January, 2024.

Kim Bullings
Clerk of Cabinet



ENDNOTES

Table of Legislation History:

SL #	Act/Law #	Legislation	Commencement	Gazette
	5/2023	Money Services (Amendment) Act, 2023	26-May-2023	LG16/2023/s5
	56/2020	Citation of Acts of Parliament Act, 2020	3-Dec-2020	LG89/2020/s1
		Money Services Law (2020 Revision)	14-Jan-2020	LG5/2020/s9
	19/2019	Money Services (Amendment) Law, 2019	8-Aug-2019	LG28/2019/S10
		Money Services Law (2010 Revision)	8-Nov-2010	G23/2010/S12
	35/2009	Money Services (Amendment) Law, 2009	29-Dec-2009	GE91/2009/S6
		Money Services Law (2003 Revision)	14-Jul-2003	G14/2003/S2
36/2003		Money Services (Amendment) Law, 2002 (Commencement) Order, 2003	12-Mar-2003	GE10/2003/S5
	38/2002	Money Services (Amendment) Law, 2002	17-Mar-2003	GE5/2003/S6
	13/2000	Money Services Law, 2000	20-Nov-2000	G24/2000/S2

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