



Public Statement

New Licensing Conditions applicable as from 02 February 2005

The Financial Services Commission wishes to announce that it has issued, on 14 January 2005, [New Licensing Conditions](#) applicable to entities licensed under the Financial Services Development Act 2001 as from **02 February 2005**.

These New Licensing Conditions will be applicable to all companies licensed as from that date onwards. However, they **shall not** apply to the following categories of Licensees:

- (i) Insurance Companies, Insurance Agents, Insurance Brokers and Insurance Salespersons operating in the domestic market and which are governed by the provisions of the Insurance Act 1987.
- (ii) Stockbrokers, Dealer's Representatives, Stockbroking Companies, Investment Clubs and Approved Investment Institutions which are licensed/registered/approved under the Stock Exchange Act 1988.
- (iii) Category 2 Global Business Companies (GBC 2s). The licensing conditions for GBC 2s are already standardised.

Licensing Conditions of existing Licensees will be replaced by the New Licensing Conditions by 01 January 2006. However, any Licensee wishing to adopt the New Licensing Conditions may, at any time before that date, apply for the amendment of their existing Licensing Conditions. Any Licensee who objects to the change of its Licensing Conditions is requested to give notice of its objection and show cause, at latest by 30 September 2005, why those Licensing Conditions should not be amended as FSC proposes.

The proposed New Licensing Conditions were released for public consultation on 19 November 2004. The consultation period ended on 06 December 2004 and the Commission received a number of valuable comments and suggestions from existing licensees and other stakeholders.

On the whole, the proposals were well received. In finalising these new licensing conditions, the Commission has fully considered each and every comment that was submitted. As far as possible, the Commission has standardised the existing licensing conditions applicable to nonbank financial institutions, both in the domestic and the global business sectors, in order to ensure consistency between similar activities in these two sectors.

[Click here to access the salient features of the New Licensing Conditions](#)

[Click here for a summary of queries raised and comments submitted during consultation](#)

[Click here for a summary of all licensed activities in the domestic and global business sectors](#)

[Click here to access the full set of the New Licensing Conditions](#)

**Chief Executive
Financial Services Commission**

19 January 2005