

COMMUNIQUÉ

SETTLEMENT FRAMEWORK

The Financial Services Commission (the “Commission”) is today, 11 December 2020, publishing its Settlement Framework.

The Settlement Framework sets out a means through which timely and proportionate enforcement outcomes can be achieved in appropriate cases. This Framework delivers on a key commitment of the Commission to adopt Settlement as part of its enforcement process.

The determination as to whether a matter is suitable to be resolved through Settlement will be made on a case-by-case basis by the Commission so as to ensure that enforcement outcomes are consistent, proportionate, effective and in the public interest.

Early acknowledgement by a licensee of breaches of the relevant laws will be considered favourably. To encourage early Settlement, the Commission will apply a graduated penalty reduction scheme to the administrative penalties to be imposed in line with practices adopted by peer regulators. The quantum of the penalty reduction will be dependent on the stage at which the Settlement is commonly agreed upon.

Settlement discussions will be conducted on a ‘without prejudice’ basis.

RELATED LINKS

- The Settlement Framework can be accessed through this [link](#).

- FAQs on the Settlement Framework can be accessed through this [link](#).

Notes to Editors:

1. The Commission is the integrated regulator for the non-banking financial services sector and global business. Established in 2001, the Commission is mandated under the Financial Services Act 2007 and has as enabling legislations, including but not limited to, the Securities Act 2005, the Insurance Act 2005, the Private Pension Schemes Act 2012 and the Financial Intelligence and Anti-Money Laundering Act 2002 to license, regulate, monitor and supervise the conduct of business activities in these sectors.
2. Click [here](#) to download the Enforcement Manual.
3. Click [here](#) to download the Administrative Penalties Regulatory Framework.

11 December 2020