



**Office of the Lieutenant Governor
Division of Banking, Insurance and
Financial Regulation**

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BULLETIN 2019-10

TO: All Money Transmission Authorized Delegates Licensed Previously by the Virgin Islands Department of Licensing and Consumer Affairs and All Persons Planning to Become Authorized Delegates under Title 9, Chapter 22 of the Virgin Islands Code (*"The Uniform Money Services Act"*)

RE: Notice of **Act No. 8137**, which Grants Authority to the Office of the Lieutenant Governor, Division of Banking, Insurance and Financial Regulation to License All Authorized Delegates and to Establish Requirements for Alien Companies Seeking to Conduct Money Services Businesses in the Territory

This Bulletin is being issued to notify all U.S. Virgin Islands money transmission authorized delegates licensed previously by the Virgin Islands Department of Licensing and Consumer Affairs and all persons planning to become an authorized delegate of a money transmission, check cashing or currency exchange business, that pursuant to Act No. 8137, now codified in Title 9, Chapter 22 of the Virgin Islands Code (*"The Uniform Money Services Act"*), all authorized delegates conducting business in the Territory will now, and going forward, be licensed by the Office of the Lieutenant Governor, Division of Banking, Insurance and Financial Regulation ("Division").

Section 502(2) of this Chapter defines an "authorized delegate" to mean "A person required to be licensed under this Chapter, and who is designated by a licensee to provide money services on behalf of the licensee."

In accordance with Section 543 of Chapter 22, Subchapter V, (a) "A person may not engage in authorized delegate activities or advertise, solicit, or hold itself out as serving as an authorized delegate for a money transmission, check cashing, or currency exchange for which the person receives revenues equal or greater than five percent of total revenues unless the person meets one of the criteria in paragraphs (1) through (3) of this subsection. The person must be:

- (1) licensed under this subchapter (by completing an "Original License Application");
- (2) an authorized delegate of a person licensed under subchapter II of this chapter; or
- (3) an authorized delegate of a person approved to engage in money transmission under section 517.

(b) A license under this subchapter is not transferable or assignable.

Section 544 of Subchapter V cites information that must be provided on the Application for License. To ensure federal Bank Secrecy Act/Anti-Money Laundering compliance, in addition to the applicant's legal name, location of the applicant's principal office and complete addresses of the applicant's other office locations in the Territory, the applicant must also provide a description of the source of money and credit to be used by the applicant to engage as an authorized delegate for money transmission, check cashing and currency exchange in the Territory. To verify the accuracy of information provided in the application, an on-site investigation of all applicants will be conducted by the Division.

A non-refundable application fee of \$200 and a license fee of \$450 must accompany an Application for License under this Subchapter. A license issued under this Subchapter must be renewed annually by the completion of a "Renewal License Application". Section 546 of this Subchapter also requires an authorized delegate to submit a renewal report with the renewal fee of \$450, and the renewal report must state or contain a description of any material change in information submitted by the authorized delegate in its Original License Application, along with a list of the locations in the Territory where the authorized delegate engages in money transmission, check cashing or currency exchange business, including limited stations and mobile locations. A notice of suspension will be sent to an authorized delegate if an authorized delegate fails to file the renewal report or pay the renewal fee by the renewal date. A fine of \$100 will be charged for each day after the suspension that the renewal report and renewal fee were not submitted.

Any other activity performed by an authorized delegate requires the person to also be licensed by the Virgin Islands Department of Licensing and Consumer Affairs.

In accordance with Section 593 of Chapter 22, this Bulletin also serves to notify alien companies seeking to conduct money services businesses in the Territory that "No alien company may be licensed to conduct money services business under this chapter. An alien company seeking to conduct business under this chapter may conduct business only through a United States subsidiary. The United States subsidiary shall comply with all applicable provisions of this chapter." Section 502(1) of this Chapter defines "alien company" to mean "A person incorporated or formed under the laws of a nation other than the United States and not subject to the jurisdiction of the United States."

Questions regarding this Bulletin may be directed to the Division of Banking, Insurance and Financial Regulation by calling Chief of Other Financial Services Ashton Bertrand at (340) 773-6459 or by calling Director Gwendolyn Hall Brady at (340) 773-6459.

Dated this 16th day of August 2019 at St. Thomas, U.S. Virgin Islands.



A handwritten signature in black ink, reading "Tregenza A. Roach", is written over a horizontal line.

Tregenza A. Roach, Esq.
Lieutenant Governor/
Chairman, Virgin Islands Banking Board