



**GENERAL NOTICE TO ALL ENTITIES LICENSED UNDER THE
FINANCIAL DEALERS LICENSING ACT [CAP 70]**

This is a general advice to all entities licensed under the Financial Dealers Licensing Act [CAP 70].

The Vanuatu Financial Services Commission (Commission) wishes to inform all licensees that on January 8, 2019 the Financial Dealers Licensing (Amendment) Act No. 31 of 2018 came into effect.

Section 10B provides as follows:

- (1) A license must have adequate insurance cover, including professional indemnity insurance indemnity for partners and employees, former partners and employees, and consultants, to serve as a protection for the investor's funds in the event of financial loss.*
- (2) The minimum insurance cover for each licensee must be VT5, 000, 000 for each claim, with an aggregate cover of not less than VT50, 000, 000 and a maximum deductible amount of VT500, 000.*

The Commission would like advise that due to unavailability of insurance in the market who would provide a deductible limit of VT500, 000, insurers or brokers should determine the appropriate deductible limit based on each entities risk exposures and not follow the limit outlined in the Act until such time that the Act may be amended to reflect the market.

Anyone requiring clarification on this matter should contact Mr. Joshua Tari on tjoshua@vfsc.vu or (678) 22247.

DATED this 15th day of March 2019.


Serah OBED
ACTING COMMISSIONER

