

LAWS OF THE REPUBLIC OF VANUATU

FINANCIAL DEALERS LICENSING ACT [CAP. 70]

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GUIDELINES

In exercise of powers conferred on me by section 19A in Dealers in Securities (Licensing) Act No.11 of 2017 (the "Act"), I, Branani Karae, Commissioner of the Vanuatu Financial Services Commission makes the following guideline.

**The Guidelines of 28<sup>th</sup> of June 2017 is repealed and substitute with:**

**1. Withdrawal of Bond Deposit**

- (1) In accordance with section 5(2) the Commissioner after having consulted the application for bond withdrawal, may authorise the withdrawal of the bond deposit after the revocation or cancellation of a licence.
- (2) The Commissioner shall not authorise the withdrawal of such bond deposit if:
  - a. there is information that the licensee owes funds to any investors; or
  - b. the licensee has not provided an updated report of its financial activity and the list of investors to the Commissioner; or
  - c. The licensee has not resolved the grievances of investors or any complaint made against the licensee.
- (3) The Commissioner being satisfied that there are no infractions with clause 1(2), shall cause to publish a public notice of his intention to withdraw and pay the said bond upon the expiry of 90 days.
- (4) In the event of an objection, the Commissioner shall not withdraw the bond but allow the parties to pursue the claim in Court or settle the claim outside of Court.
- (5) In the event that a licensee is convicted of fraud and misappropriation of funds or the Commission is of the opinion as a result of its investigation that a fraud has been committed by the licensee, the licence will automatically be cancelled and the bond deposit will be forfeited to the Commission.
- (6) In the event the licensee is declared:
  - a. Bankrupt;
  - b. Insolvent;
  - c. voluntarily winding up;
  - d. Voluntary bankrupt; or
  - e. Administration.


The Commissioner being satisfied with the substantive documents justifying the bankruptcy, insolvency, or administration may withdraw the amount to pay the creditors.

- (7) Upon the withdrawal of the bond deposit by the Commission, the licensee's company shall be deregistered forthwith.

## 2. Commencements

- (1) This guideline commences on the 20<sup>th</sup> of March 2023.

Made at Port Vila this 20<sup>th</sup> day of March 2023

  
Branan Karae  
Commissioner

