

# FSC Newsletter

Number 3 Year 2009



**Financial Services  
Commission**

## Introduction

This Newsletter is directed to locally incorporated Credit Institutions licensed under the Banking Act. The Commission has historically required Credit Institutions to notify the FSC in advance of any dividend payments and seek pre-approval by the Commission.

The FSC will continue to require Credit Institutions to notify the FSC in advance of any dividend payments and seek pre-approval by the Commission.

The aim of this newsletter is to notify firms of the processes involved when seeking prior approval from the Commission to issue dividends.

Banks issuing a dividend will be required to submit a banking return; <http://www.fsc.gi/forms/basel2return.xls> showing the position before and after the dividend payment. In addition the FSC will require a copy of the board resolution or an extract of the board minutes requesting the dividend.

Submission of the aforementioned will seek to enable the FSC to better monitor liquidity capital and ratios and to therefore provide financial services regulation in an effective and efficient manner.

Provided that there are no matters of concern regarding the proposed dividend payment the Commission will revert with a no objections.

The Credit Institution should then inform the FSC when the payment takes effect.