

COMMONWEALTH OF DOMINICA

STATUTORY RULES AND ORDERS No. 26 OF 1994

REGULATIONS

MADE by the Minister under sections 13(3) and 33 of the Banking Act, 1991.

(Gazetted 12th May, 1994.)

1. These Regulations may be cited as the – Short title.

BANKING (ASSIGNED CAPITAL) REGULATIONS 1994.

2. In these Regulations – Interpretation.

“the Act” means the Banking Act, 1991; and Act No. 1 of 1991.

“Bank” means the Eastern Caribbean Central Bank established under the Eastern Caribbean Central Bank Agreement, 1983.

3. Every foreign financial institution shall produce to the Bank a written undertaking in the form set out in the Schedule stating that an amount – Undertaking relating to the maintenance of assigned capital. Schedule.

(a) equivalent to its net assets; or

(b) which supplements the amount required to be equivalent to its net assets, which is not less than five per cent of its liabilities,

has been attributed or pledged as assigned capital.

(Regulation 3).

SCHEDULE

LETTER OF COMFORT

We are the direct parent company of..... (hereinafter referred to as our Branch/es) which is/are incorporated in and conduct banking business at in

We have set aside the amount specified in the Schedule to this letter, in respect of our Branch/each of our Branches, which is equivalent to or supplements the amount which is required to be kept as assigned capital by our Branch/each of our Branches during the term of the Banking Business Licence, in accordance with Part II of the Banking Act, 1991 and the Banking (Assigned Capital) Regulations, 1994.

We will maintain the amount specified in the Schedule to this letter in respect of our Branch/each of our Branches in accordance with the law.

Regardless of this, we confirm to you that we accept ultimate responsibility for the maintenance of the required amount of assigned capital by our Branch/Branches in any further way should this ever be required.

It is understood that the amounts specified in the Schedule to this Letter of Comfort will be reviewed at the end of each year in consultation with the Eastern Caribbean Central Bank in light of the balance sheet of the Branch/our Branches.

We will confirm annually any revision of the amounts specified in the Schedule to this Letter of Comfort.

This Letter of Comfort applies to our Branch/each of our Branches and is valid during the term of the respective Banking Business Licence.