



SUPERVISION GUIDELINE NO. 7

**ISSUED UNDER THE AUTHORITY OF PART II, SECTION 9 OF THE
FINANCIAL INSTITUTIONS ACT 1995 (NO. 1 of 1995) AS AMENDED BY THE
FINANCIAL INSTITUTIONS (AMENDMENT) ACT 1996 (NO. 9 of 1996)**

ACQUISITION OF CONTROL OF FINANCIAL INSTITUTIONS

**Bank of Guyana
June 19, 1996**

Issued :
· To all financial institutions
Circular No. 53/96 June 19, 1996.

1. Any person seeking to acquire control of a licensed financial institution shall complete and submit to the Bank the prescribed Application Form (Schedule I) which can be obtained upon request from the Bank Supervision Department.
2. A licensed financial institution incorporated in Guyana shall within fifteen days from the end of each quarter submit to the Bank a duly certified list of shareholders (Schedule II) arranged by shareholders' group on the basis of available information.
3. The Corporate Secretary of a licensed financial institution shall ascertain the identity of any share transferee, voting trustee, proxy or person vested with the right to vote, and the relationship of such person to existing shareholders of the licensed financial institution.
4. The Corporate Secretary shall promptly inform any shareholder or group of related shareholders whose shareholdings taken together are about to reach twenty-five percent of the total shareholdings of a licensed financial institution to obtain the prior approval of the Bank if such shareholder or group of related shareholders intends to increase shareholdings to twenty-five percent or more of the voting shares of such institution or to acquire control through other means.
5. In the event that any sale or transfer of shares shall result in the acquisition of control of a licensed financial institution by a shareholder or a group of shareholders without prior approval of the Bank, the Corporate Secretary shall deny the transfer or registration and forthwith by written notice inform the parties to the transaction of the denial. Simultaneous with the notice to the parties, the Corporate Secretary shall inform the Bank of the details of the share transaction so denied.
6. The completed Application Form referred to in paragraph 1, together with all supporting documents, shall be submitted to the Bank Supervision Department. No section in the forms shall be left blank. Place "Not Applicable" or "None" as the case may be. If the space provided is not adequate, the required information or data needed may be annexed. Reference shall be made in the pertinent section of the form by placing the words "Refer to Annex ____".

7. Within ten working days from receipt of an Application Form, together with all supporting documents, the Bank Supervision Department shall send the applicant a formal letter of acknowledgment or a letter of deficiency.

The letter of acknowledgment will serve as the official notice that the documents submitted were found to be complete and that the processing or evaluation will commence. The letter of deficiency will provide a deadline for rectification of the deficiencies outlined. The Bank will take no further action unless the deficiencies are rectified within the time prescribed.

8. The Bank, in accordance with section 9(4) of the Financial Institutions Act 1995, shall act upon an Application Form within ninety days from receipt of a completed application together with all supporting documents. The time limit may be extended for an additional sixty days upon written notice to the acquiring person that further investigation or inquiry is needed.
9. In evaluating an application to acquire control of a licensed financial institution the Bank must be convinced that the applicant satisfies the fit and proper criteria after considering the areas cited under subsections 9(3) and 9(10) of the Financial Institutions Act 1995.
10. The Bank shall forthwith inform both the applicant and the Corporate Secretary of its decision on the application within the prescribed time.

 (Name of Financial Institution)

LIST OF SHAREHOLDERS
As at Quarter Ending _____

Due Date : 15 days from quarter-end

Shareholders' Name*	Nationality	Type of Shares (voting/non-voting)	Number of Shares		Nominal Value of Paid-up Shares	% to Total Shareholdings
			Subscribed	Paid-Up		
* Please group related persons, where such information is available, specify- ing the respective shareholding for each member of the group e.g., Jones Group 8% - Mr. J. Jones 4% - J. Jones Enterprise 2% - J. Jones & M. France 2%						
Total					\$	100%

Certified Correct :

 Corporate Secretary
 (Signature over Printed Name)

 Date

AUTHORISATION TO CONDUCT INQUIRIES AND INVESTIGATIONS

The [hereinafter referred to as the “applicant”],
having made an application for control of a licensed financial institution in the Co-operative
Republic of Guyana, hereby authorizes the Bank of Guyana [hereinafter referred to as “the
Bank”] to inspect the books and records of the applicant and/or to conduct such inquiries and
investigations as the Bank deems necessary for the proper determination of whether the applicant
satisfies the requirements of the Financial Institutions Act 1995 (No. 1 of 1995).

[Name & Signature of Applicant]

Designation

Date

Signed and sworn to before me, this day of 19.....
at affiant exhibiting his/her
..... issued on
[National Registration No. or other Form of Identification]

NOTARY PUBLIC

Bank Supervision Department
Bank of Guyana