



## Mauritius Global Business Update 22

### **SECURITIES (RECOGNITION OF REMOTE CUSTODIANS) RULES 2013 (“THE RULES”)**

*The Rules are designed to allow the Mauritius Financial Services Commission (“FSC”) to recognise remote custodians. GWMS brings to you the salient features of these new Rules.*

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#### **1. Introduction**

1.1. The recognition of remote custodians will help to further strengthen the Mauritius International Financial Centre and transform it into a regional financial hub of substance, by bringing more flexibility to the industry.

#### **2. Meaning of remote custodian**

2.1. A remote custodian is an entity incorporated or registered in a foreign jurisdiction, recognised by the FSC, to hold the custody of clients’ securities and to provide custodial services, and admitted to participate in the clearing and settlement of trades on behalf of its clients, in a clearing and settlement facility licensed by the FSC.

#### **3. Remote custodian agent**

3.1. A remote custodian duly recognised by the FSC shall at all times have a remote custodian agent in Mauritius who shall be a law practitioner, a qualified auditor, a chartered secretary or a management company.

#### **4. Functions of the remote custodian agent**

4.1. By virtue of the new Rules, the remote custodian agent shall provide such services as the remote custodian may require in Mauritius, including:

- 4.1.1. the filing of all documents with the FSC as may be required;
- 4.1.2. the receiving and forwarding of any communication, notice or summons from, and to, the FSC or the clearing and settlement facility or any other party;
- 4.1.3. the notification, within 21 days, of any change in the beneficial ownership of the person applying for recognition to act as a remote custodian on a licensed clearing and settlement facility in Mauritius, any alteration to any document submitted to the FSC or to the clearing and settlement facility by the remote custodian and any other material change; and
- 4.1.4. the filing of any other information which the FSC may require.



## **5. Application for recognition as remote custodian**

5.1. The FSC may recognise an applicant to act as a remote custodian under such terms and conditions it deems appropriate, if it is satisfied that the applicant is exercising the functions of holding the custody of clients' securities, and providing custodial services in a jurisdiction whose regulatory framework is consistent with international best practices.

## **6. Effective date**

6.1. The Rules came into operation on 19 October 2013.



### ***International network***

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