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An Act to—

- (a) alter the composition of the Board of Directors of the Financial Services Development Authority;
- (b) make other related amendments.

The Parliament of the Cook Islands enacts as follows—

(4 May 2020)

- 1 **Title**
This Act is the Financial Services Development Amendment Act 2020.
- 2 **Commencement**
This Act comes into force on the day after the date it receives the assent of the Queen's Representative.
- 3 **Principal Act**
This Act amends the Financial Services Development Act 2009 (the **principal Act**).
- 4 **Section 1 amended (Short title and commencement)**
In section 1(3), replace "Finance Industry Development Authority" with "Financial Services Development Authority".
- 5 **Section 2 amended (Interpretation)**
 - (1) In section 2, replace the definition of financial services industry with:

“financial services industry means the business carried on under the Banking Act 2011, the Captive Insurance Act 2013, the Foundations Act 2012, the Insurance Act 2008, the International Companies Act 1981-82, the International Trusts Act 1984, the International Partnership Act 1984, the Limited Liability Companies Act 2008, and the Trustee Companies Act 2014”.

- (2) In section 2, in the definition of Trustee Companies Association, replace “Trustee Companies Act 1981-82” with “Trustee Companies Act 2014”.

6 Section 4 amended (Directors)

- (1) Replace section 4(2) with:

“(2) The Board must be comprised of—

“(a) 1 person appointed by the Minister; and

“(b) 2 persons appointed by the Minister following their election by the Trustee Companies Association; and

“(c) 1 person appointed by the Minister following the person’s election by a majority of the licensees holding for the time being—

“(i) a licence issued under the Banking Act 2011; or

“(ii) a licence issued under the Insurance Act 2008; and

“(d) the Chief Executive Officer appointed under section 12.”

- (2) In section 4(3), replace “pursuant to subsection 2(c), (d) and (e) shall” with “under subsection (2)(a), (b), or (c) must”.

7 Section 5 amended (Term of office and remuneration of directors)

Replace section 5(5) with:

“(5) Despite subsection (4), the Chief Executive Officer and any director who is a public servant must not be paid any remuneration for the performance of their functions and responsibilities as a director.”

8 No compensation for loss of office

The Financial Secretary and the Commissioner of the Financial Supervisory Commission—

- (a) cease to hold office as directors of the Board on the commencement of this Act; and
- (b) are not entitled to compensation for loss of office.

This Act is administered by the Financial Services Development Authority.

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