

UPDATE

Top takeaways from the Guernsey Mourant Enforcement Breakfast

Update prepared by Christopher Edwards, Helen Wyatt and Sally Rochester (Guernsey)

On 27 November, we hosted an enforcement breakfast seminar at the Mourant Guernsey office, which addressed lessons learned from [Guernsey Financial Services Commission \(GFSC\)](#) public statements issued this year.

In this informative presentation, the speakers drew on their own unique experiences and offered insights from their respective roles in setting up structures, applying a prevent and detect approach to regulatory compliance, and supporting licensees that are under the spotlight.

The Mourant panel was chaired by [Christopher Edwards](#), Partner in the Guernsey [Dispute Resolution](#) team, and comprised [Sally Rochester](#), Director, [Mourant Consulting](#) and [Helen Wyatt](#), Partner, Guernsey [Corporate](#).

We have outlined below the top takeaway points from the topics discussed.

Helen Wyatt - Corporate

1. Interrogate, scrutinise, explore

Make sure you really understand your client, their business and each structure and transaction that is proposed.

2. Document well

Record discussions and decisions, complete forms accurately and with care but don't overstate matters. Ensure double checking (four eyes) is not just cursory. Do not be tempted to revisit documents once the GFSC have set their sights on you.

3. Do what you say you will

Follow your own policies and procedures with consistency.

4. Act on warning signs

Facilitate a way for concerns to be aired and acted upon and not buried in reports.

5. Controller commitment and communication

Make sure controllers of the firm understand their obligations to support the business and that communication between them and the licensee board is honest and open.

Sally Rochester - Mourant Consulting

1. Training

Make sure that appropriate training is given to staff and the board on regulatory matters.

2. Adhering to regulatory requirements

Ensure you have controls in place to ensure staff adhere to regulatory requirements within policies and procedures.

3. Control environment

Ensure the control environment is well designed and operating effectively.

4. Board reporting

Board reporting should adequately inform the board of the above matters.

5. Assurance framework

Consider the assurance framework in place and its adequacy.

Chris Edwards – Dispute Resolution

1. Engage early

This gives you the strong advantage of getting on the front foot.

2. Be pro-active, not passive

You have the ability to shape things at an early stage by being proactive about how you deal with the GFSC.

3. Communicate clearly

When dealing with the GFSC, make sure to communicate clearly, use plain English, and avoid acronyms and complex language that may be misunderstood by someone outside your organisation. Help them understand what you're saying to them.

4. Get it right

While it may be tempting to rush your response, there can be a risk of items being incomplete, or documents missed. We recommend asking for more time if you need it, so you can be confident what you send to the GFSC is right.

5. Prepare, prepare, prepare

Every interaction with the GFSC has got to be you putting your best foot forward. Prep thoroughly for interviews and put a lot of energy into it. Spend the time preparing early on in the process as this will be worth your while.

How we can help

At Mourant, we provide comprehensive support across [corporate law](#), [regulatory consulting](#), and [litigation](#).

In the corporate space, we offer guidance on establishing structures and completing transactions, assessing authority chains and decision-making processes, documenting board and administrator decisions and concerns, and advising on licensing and exemption requirements.

Our consulting practice can assist with preparing for regulatory visits, providing strategic support for remediation efforts, reviewing board effectiveness and corporate governance, offering post-remediation assurance, and evaluating the effectiveness of policies, procedures, and controls.

In litigation matters, we can help stress test structures, identify weaknesses, and engage with regulators. In addition, we can support preparation for regulatory visits and enforcement processes, including interviews, representations, settlement discussions, and the SDM process, while also advising on personal liability, employment, and insurance issues. This integrated approach ensures tailored solutions for each client's needs.

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