NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS
41ST CONSTITUTION REGULAR SESSION, 2020

Republic of the Marshall Islands
Jepilpilin Ke Ejukaan

TRUSTEE LICENSING (AMENDMENT) ACT, 2020

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TRUSTEE LICENSING (AMENDMENT) ACT, 2020

AN ACT to amend Title 50, Chapter 3 of the Marshall Islands Revised Code to clarify certain provisions of the Chapter in line with international standards for anti-money laundering and countering the financing of terrorism.

BE IT ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS

§101. Short Title.

This act may be cited as the Trustee Licensing (Amendment) Act, 2020.

§102. Amendments.

(1) Section 302 of the Republic of the *Marshall Islands Trustee Licensing Act 1994* is hereby amended as follows:

§302. License requirement.

Every Marshall Islands trustee administering a Marshall Islands trust or a foreign trust, and every person performing an equivalent function for another form of legal arrangement, and residing or conducting business in the Republic must be licensed under this Chapter or qualify under the provisions of the Trust Companies Act 1994, 50 MIRC Ch. 2.

(2) Section 303(c) of the Republic of the *Marshall Islands Trustee Licensing Act 1994* is hereby amended as follows:

§303. Application for a trustee license.

. . .

(c) the specific type of trustee or trustee-equivalent functions to be conducted;

(3) Section 305 of the Republic of the *Marshall Islands Trustee Licensing Act 1994* is hereby amended as follows:

§305. Trustee license.

. . .

(3) A licensed trustee shall not engage in any trustee or trustee-equivalent functions other than those specified in the license.

. . .

(7) No license shall be issued or renewed under this Chapter unless the Commissioner is satisfied that:

(a) the applicant resides or conducts business in the Republic;

(b) the applicant maintains a minimum capital amount specified by the Commissioner, if any;

(c) the applicant has retained any insurance cover required by the Commissioner pursuant to Section 309 of this Chapter; and

(d) the applicant has established adequate systems for maintaining and updating the information and records required under this Chapter, the Trust Act of 1994 (50 MIRC Ch. 1), and any other applicable law.

(4) Section 307(1)(c) and (d) of the Republic of the *Marshall Islands Trustee Licensing Act 1994* is hereby amended as follows:

§307. Suspension, revocation or variation of license.

(1) In the case of a licensed trustee:

. . .

(c) where a trustee has ceased performing the trustee or trustee-equivalent functions for which the license was granted;

(d) who violates any of the provisions of this Chapter or the regulations made thereunder or fails to comply with the Trust Act (50 MIRC Ch. 1)or any other written law;

. . .

(5) Section 310 of the Republic of the *Marshall Islands Trustee Licensing Act 1994* is hereby amended as follows:

§310. Performing trustee or equivalent functions without a license.

If the Commissioner has reasonable ground to believe that any person is violating the license requirement of Section 302 of this Chapter, he may examine, or authorize an officer in writing to examine, the books, accounts and records of such person for the purpose of ascertaining whether such person has contravened or is contravening any of the provisions of this Chapter. Any refusal by such person to submit such books, accounts or records to the Commissioner or authorized officer shall be prima facie evidence that such person is violating the license requirement.

(6) Section 311 of the Republic of the *Marshall Islands Trustee Licensing Act 1994* is hereby amended as follows:

§311. Penalty.

(1) Any person violating the license requirement of Section 302 of this Chapter shall be guilty of an offense and shall upon conviction be liable to a fine not exceeding $10,000.

(2) Any applicant who knowingly or recklessly furnishes any information which is false or misleading in a material particular in connection with an application under this Chapter, shall be guilty of an offense and shall upon conviction be liable to a fine not exceeding $10,000 or to a term of imprisonment not exceeding six (6) months, or both.

(3) Every person who is guilty of an offense for which no punishment is prescribed in the preceding provisions shall upon conviction be liable to a fine not exceeding $10,000.

§103. Effective Date.

This Bill, and all Acts contained herein, shall take effect in accordance with the Constitution and the Rules of Procedures of the Nitijela.

CERTIFICATE

I hereby certify:

1. That Nitijela Bill No: 30 was passed by the Nitijela of the Republic of the Marshall Islands on the 10th day of November 2020; and

2. That I am satisfied that Nitijela Bill No: 30 was passed in accordance with the relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of Procedures of the Nitijela.

I hereby place my signature before the Clerk this 11th day of December 2020.

Attest:

Hon. Kenneth A. Kedi
Speaker
Nitijela of the Marshall Islands

Morean S. Watak
Clerk
Nitijela of the Marshall Islands