

## **Seychelles Securities Dealer Licence**

Being an unregulated brokerage in today's market is not a savvy business move. Traders are more aware and regulators are more vigilant than ever before, and operating a brokerage without a license is taking an unnecessary risk. There are numerous jurisdictions that provide licenses to offshore forex brokerages, but how do you know which jurisdiction is good for you?

The Securities Act 2007 provides the legal framework for the provision of Securities Dealer Services. A Seychelles Securities Dealer License is a license which allows a company to trade in securities either as a principal (on its own account) or as an agent (on behalf of its clients). The regulatory authority, which grants the authorization for such a firm, is the Financial Services Authority (Seychelles)

This license is particularly beneficial for Companies worldwide, who deal/trade in securities. This license is an important tool for your organization to attract more clients. The license will give your firm more credibility in the eyes of your wholesale broker and your clients!

### **What are the benefits of obtaining a license from the Seychelles financial services authority?**

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A person holding a Securities Dealer Licence can:

- i. Advise other persons concerning investment in securities
- ii. Issue, analyse or prepare reports concerning specific securities
- iii. Manage a portfolio of securities for another person
- iv. A Securities Dealer License is in essence a Seychelles forex trading licensed company that is allowed to trade in securities either as a Nostro Account or as an agent.

### **A Securities Dealer is a person:**

- i. Who carries on business of dealing in securities, or
- ii. Who holds himself out as conducting such business described below:
  - Makes or offers to make an agreement with another person to enter into or offer to enter into an agreement, for or with a view to acquiring, disposing of, subscribing for or underwriting securities or in any way effects or causes to effect a securities transaction; or
  - Causes any sale or disposition of or other dealing or any solicitation in respect of securities for valuable consideration, whether the terms of payment be on margin, instalment or otherwise or any attempt to do any of the foregoing; or
  - Participates as a securities dealer in any transaction in a security occurring upon a securities exchange; or
  - Receives as a securities dealer an order to buy or sell a security which is executed; or
  - Manages a portfolio of securities for another person on terms under which the first mentioned person may hold property of the other person.

A Securities Dealer may deal in shares, warrants, debentures, loan stock, bonds, certificate of deposits, futures, contract for difference and options.

### **Advantages of Seychelles Securities Dealer License.**

- The License holder can offer its forex services and products publicly on its website
- The License holder can take deposits from clients.
- There is no limit to the number of clients a Seychelles forex company can accept.
- Relatively low capital maintenance requirement, USD 50,000 in a bank account at all times.
- The growing popularity of Seychelles as a preferred jurisdiction for setting up a Securities Dealer. Convenient time zone at GMT+
- Seychelles as a country and popular jurisdiction    Modern, expedient and flexible Seychelles Securities law
- Enhanced privacy
- Attractive corporate and personal tax environment and access to tax treaties    Allows the foreign Securities Dealers from recognized jurisdictions

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### **Licensing conditions for Seychelles Securities Dealers**

The applicant company must:

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- Be a company incorporated under the Companies Act, 1972 or under the laws of a recognized jurisdiction
  - Employ at least 2 (two) natural person directors
  - Employ at least one individual who is licensed as a Securities Dealer Representative
  - Comply with the prescribed minimum issued and paid up capital requirement of US\$ 50,000
  - Comply with the insurance requirement – the licensee ought to have a professional indemnity cover appropriate for the nature and size of the business
  - Satisfy the Authority that a fit and proper person will be licensed as a Securities Dealer Representative
  - Have specified premises that are suitable for keeping registers, records and other documents of the company
  - Employ a local compliance officer (2 year period given to train the local person)
  - Annual financial statement preparation and audit
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**Requirements:**

**Email our team for more information about the application procedures, process and ongoing statutory requirements.**