

## TITLE 13 SECURITIES

### CHAPTER 1

#### INVESTMENT AND INTERNATIONAL FINANCE COMPANIES

- §1101. Authority.
- §1102. Findings.
- §1103. Regulations.
- §1104. Residence of Investment and International Finance Companies.
- §1105. Residence of Broker/Dealer or Adviser.
- §1106. Investment Companies: Presumption.

**NOTE:** Rule-making authority cited for the formulation of investment and international finance companies regulations by the Administrator, Guam Uniform Securities Act, 22 GCA §46413.

**§1101. Authority.** The Administrator, Guam Uniform Securities Act, adopted the following regulations under the authority conferred upon him by 22 GCA §46413.

**§1102. Findings.** Public Law 16-65 amends the Guam Uniform Securities Act ("Act") to provide for the organization, operation and regulations of investment companies and international finance companies in Guam. The following regulations are intended to insure that investment companies and international finance companies organized or operating in Guam comply with the Act by:

- (a) Requiring such companies to establish and maintain an office and presence in Guam; and
- (b) Requiring such companies to coordinate their activities with the Administrator through the established notification process.

**§1103. Regulations.** The regulations are set forth below. Please note that the form of the regulations, including the numbering system used, is subject to amendment as necessary to conform to the standard code of rules promulgated for the agencies of the government of Guam. All sections referenced are to the Guam Uniform Securities Act, as amended.

**§1104. Residence of Investment and International Finance Companies.** This Regulation relates to 22 GCA

§46202(a). Any person incorporated, organized or formed under the laws of Guam, and which by reason of its activities or proposed activities, wherever conducted, is or would be either an investment company or an international finance company, shall be presumed for purposes of 22 GCA §46202(a) to transact business within this Territory or maintain a place of business in this Territory (expressly including therein any office within the Territory required by law) as either an investment company or as an international finance company, unless and until upon application by such person the contrary shall be established to the satisfaction of the Administrator, who thereupon shall confirm the exemption of any such person from 22 GCA §46202(a), provided that he shall determine that such exemption is consistent with the purposes of 22 GCA §46202(b). Any application for any such exemption shall be confirmed in accordance with the procedures and requirements specified in 22 GCA §46202(c) with respect to the confirmation of a notification of intention. Any such exemption may be withdrawn in accordance with the provisions of 22 GCA §46202(d).

**§1105. Residence of Broker/Dealer or Adviser.** This Regulation relates to 22 GCA §46202(c) of the Act. No person who is registered as a broker/dealer or as an investment adviser pursuant to the Uniform Securities Act shall be deemed to maintain a business office within Guam for purposes of 22 GCA §46202(c)(1)(iii) thereof, if such office has not been in continuous existence and active operation in the exercise of such registration for a period of at least two (2) years prior to the relevant confirmation by such registrant of any notice of intention, unless the Administrator shall have determined that the facts and circumstances of the then office, including the scale of its business activities and the qualifications of its personnel and convincing evidence indicating a high probability of its continuing active existence in such business in Guam for all relevant periods, and that the facts and circumstances, including its scale and nature, of the securities business transacted in Guam by such registrant during the portion of such registration period during which no such office was maintained by it within this Territory reasonably assure its effective compliance with and satisfaction of the purposes described in 22 GCA §46202(c)(2).

**§1106. Investment Companies: Presumption.** This

Regulation relates to 22 GCA §46202(e) of the Act. Any person incorporated, organized or formed under the laws of this Territory who is or would be defined as an investment company in accordance with the definition of Section 3(a) of the Investment Company Act of 1940 of the United States (without excluding any securities from the definition of "investment securities" as provided for by such Section 3(a) and without giving effect to any exemption or exclusion provided for by any other provision of such §3 shall, unless the Administrator determines that such person's business activity, assets and ownership are substantially located in this Territory, be deemed for purposes of 22 GCA §46202(a) and (e) to be an investment company, unless and until such person shall establish to the satisfaction of the Administrator and in accordance with the procedures provided for by 22 GCA §46202(c) that such person should qualify for exemption or exclusion in accordance with any such other provision.

---