



Office of the Premier

4 November 2015

The Rt. Honourable David Cameron
10 Downing St,
London SW1A 2AA

Dear *Prime Minister,*

Re: Beneficial Ownership – Commitment to centralized registry system

In furtherance of the various discussions on availability of beneficial ownership between our respective officials in the provision of financial services I set out below the current status in the small but well regulated industry in Montserrat.

By letter dated 27 February 2002 the Chief Minister of Montserrat committed to the principles of effective exchange of information in tax matters and transparency. In compliance with these principles Montserrat undertook to ensure that no new regime or practice is introduced that fails to comply with the principles of transparency and effective exchange of information and that no regime which existed at the time would be modified in such a way that after such modification it would not comply with the principles of transparency and effective exchange of information.

In honouring our commitment to provide transparency and effective exchange of information in tax matters the jurisdiction in September 2013 published its action plan to implement the Financial Action Task Force (FATF) recommendations to prevent the misuse of companies and of legal arrangements.

However, despite the commitment made by the Government of Montserrat in 2002 and the fact that Montserrat is a party to the Convention on Mutual Administrative Assistance in Tax Matters (by extension of HMG) and is an early adopter to the OECD standard for automatic exchange of financial account information in tax matters, this year we have seen that, without justification, a number of OECD countries included Montserrat on their lists of non-cooperative tax havens..

With regard the requirement for countries to obtain beneficial ownership information of legal entities, in this matter, the Montserrat's Companies Act Cap.11.20 already provides that the Registrar of Companies obtains and maintain records of the owners and directors of local and foreign legal entities that are registered under the Act. In addition, sub-section 495 (1) of the Act provides that a person who has paid the prescribed fee is entitled to examine, copy or take extract from a document required by the Act. Further, since the Registry's records were digitalized in 2012 ownership information of these entities are readily available to law enforcement, regulatory bodies, and the public.

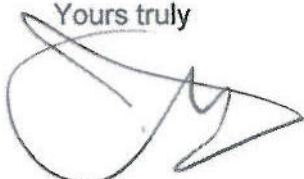
In the matter of other legal entities, a Bill for the Companies Act 2015 is currently being drafted to introduce provisions to require all legal entities to obtain and hold current information on beneficial ownership and to make it a statutory obligation for these entities to submit the

information to the Registrar of Companies to be recorded and maintained in the centralized registry system. It is planned that following consultation the revised Companies Act will be introduced in the first quarter of 2016 to bring these provisions into force.

Sir, it is Montserrat's intention to continue to adhere to international standards and to promote good governance in all aspects of public office. In these matters it is hoped that Montserrat will not be subject to any framework of unwarranted coordinated defensive measures by members of the OECD and the wider European community.

Finally, I wish to record that Montserrat places much value on the partnership with the United Kingdom which is manifested in the close working relationship between Montserrat and HMG officials and appreciates the benefits it derives from the special relationship.

Yours truly

A handwritten signature in black ink, appearing to read 'Donaldson Romeo', written over the words 'Yours truly'.

Donaldson Romeo
Premier