



## **COOK ISLANDS FINANCIAL SUPERVISORY COMMISSION**

### **WSBC Bank's Licence Revoked**

Settlement has been reached in legal proceedings involving the Financial Supervisory Commission (FSC) and WSBC Bank.

The FSC's decision to revoke WSBC Bank's licence remains in place, but the date of effect of the revocation has been varied to 31 December 2009. Appeal proceedings in the High Court by WSBC Bank against the FSC's decision have been settled by consent.

WSBC is to pay \$125,000 towards the FSC's legal costs for these proceedings.

The FSC is satisfied with the terms of the settlement, which brings to an end long-running and costly litigation between the parties.

The enforcement action taken by the FSC against WSBC Bank demonstrates that the FSC is not prepared to tolerate financial institutions operating in the Cook Islands that fail to comply with the regulatory legislation. Despite being a small agency, the FSC aims to ensure that global regulatory standards apply to banks and other financial institutions operating in the Cook Islands.

The Cook Islands Government recently announced measures to raise the profile of the country's offshore industry and having a well regulated financial sector is a fundamental step towards achieving this.

For further enquiries contact the FSC Commissioner, Lorraine Allan (telephone (682) 20798).

Rarotonga

27 March 2009