



CENTRALE BANK VAN ARUBA

INSTRUCTIONS FOR THE PREPARATION OF THE SUPERVISORY REPORTING FORMS BY REGISTERED MONEY TRANSFER COMPANIES

1. INSTRUCTIONS

Reporting instructions for money transfer companies (MTC) entered in the register as referred to in section 12 of the State Ordinance on the Supervision of the Money Transfer Companies (SOSMTC).

2. GENERAL

2.1 Addressing of the reporting forms

Each MTC should send the reporting forms to the Centrale Bank van Aruba (the Bank) without delay within 15 working days after the end of each quarter. The reporting forms should be addressed to:

Centrale Bank van Aruba
Supervision Department
J.E. Irausquin Boulevard # 8
Oranjestad

in an envelope marked “Confidential”.

2.2 The forms to be submitted by the MTC

The following nine forms should be submitted by the money transfer companies to the Supervision Department:

- Form 1. Cash flow statement
- Form 2. Number and volume of transactions divided by country and transaction size
- Form 3. Number of unusual transactions reported to Reporting Unit Unusual Transactions (MOT)
- Form 4. Movements in bank account(s)
- Form 5. Amounts received from customers in connection with money transfers specified per currency
- Form 6. Current account(s) with correspondent(s) pertaining to transfers
- Form 7. Outstanding transfer amount not yet paid by correspondent(s)
- Form 8. Income statement
- Form 9. Balance sheet

2.3 Reporting date

Unless specifically requested otherwise, all figures reported must show the position under each heading as at the close of business on the last working day of the quarter.

2.4 Adding of new headings

Adding of new headings to the reporting forms is not allowed. If it is difficult to clarify a particular item under a given heading, such item should be included under the heading that is most applicable to it with a brief explanatory note at the bottom of the reporting form.

Conversion of currencies

All amounts must be reported in Aruban florins unless stated otherwise. Amounts denominated in foreign currencies should be converted into Aruban florin at the Bank's buying rate for that currency on the last day of the quarter concerned. If the currency is not among those quoted, the last available market rate for that currency should be used.

Rounding of figures

For the purpose of completing the reporting forms, amounts should be rounded to the nearest thousand of Aruban florins.

3. OBJECTIVE

The primary objective of the reports is to provide insight into the cash flows of the MTC. Section 12 of the SOSMTC governs the reporting obligation on registered money transfer companies, while the guidelines on conduct of business and administrative organization at money transfer companies sets out further details.

4. PROVISION OF DATA

The forms should be submitted to the Bank on a quarterly basis. Form five should be completed per bank account.

5. DEFINITIONS

5.1 Classification into resident and nonresident

To determine resident/nonresident status of the customer conducting a money transfer transaction, reference should be made to the State Ordinance on Foreign Exchange Transactions (SOFET) (AB 1990 no. GT 6) and the State Ordinance on Foreign Exchange Commission (SOFEC) (AB 1990 no. GT 5).

Residents are:

- a) natural persons residing in Aruba and registered in the population register of the civil registry, or those who actually have been living in Aruba for a period exceeding one year after the date of their arrival in Aruba, as soon as that year has elapsed;
- b) legal entities, partnerships and limited partnerships domiciled in Aruba;
- c) branches, representative offices, enterprises and agencies domiciled in Aruba, as far as not covered under b.;
- d) government administrative agencies, services and businesses;

e) natural persons, legal entities and other institutions designated by the Centrale Bank van Aruba, as far as not covered under a, b, c or d.

Nonresidents are:

- a) natural persons, legal entities, corporations, partnerships, limited partnerships branches, enterprises, and agencies not falling under the definition of residents; as well as the Aruban Exempt Corporations;
- b) diplomatic and consular representations of foreign powers and international organizations in Aruba and the enterprise considered to be a non-resident pursuant to article 19, first paragraph of the SOFET;
- c) the diplomatic, salaried consular and clerical officers of foreign nationality attached to the representations referred to under b., their spouses and children residing with them.
- d) the legal entities, corporations and other institutions designed by the Bank as non-residents, as far as not covered under a, b and c.

5.2 Other definitions

- a) **money transfer company:** the natural person, legal entity or company that conducts money transfers as a profession or trade on behalf, or at the request of a third party, or that is engaged as a profession or trade in the conclusion thereof;
- b) **group:** a registered money transfer company with all its branches;
- c) **foreign means of payment:** all coins or banknotes denominated in foreign currencies;
- d) **correspondent:** counterparty who, on the instructions of a money transfer company, pays out to beneficiaries and/or issues payment instructions to the money transfer company.

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Form 1

CASH FLOW STATEMENT

This report is intended to gather information on the flow of funds during a quarter.

Liquidity position

Amounts held in cash and at banks.

Total amount received

The total of receipts arising from completed money transfer transactions with customers.

Foreign exchange tax received

The total foreign exchange tax paid by customers to the MTC in connection with completed money transfer transactions.

Commission

The total commission paid by the customers to the MTC in connection with completed money transfer transactions.

Other receipts

Other amounts received from customers in connection with completed money transfer transactions.

Total amount paid

The total of expenses arising from payment due on money transfer transactions with customers.

Foreign exchange tax paid

The total foreign exchange tax paid by the MTC to the Bank in connection with completed money transfer transactions.

Other payments

All other payments made by the MTC.

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Form 2.

TABLE A: NUMBER OF TRANSACTIONS DIVIDED INTO TRANSACTION SIZE

This report is intended to gather information on the number and total amount of incoming and outgoing transactions divided into the brackets indicated in the form.

Number and amount of incoming and outgoing transactions

The number and amount of incoming and outgoing transactions should be reported in the respective brackets and totalized.

TABLE B: NUMBER OF TRANSACTIONS DIVIDED BY COUNTRY

This report is intended to gather information on the number and total amount of incoming and outgoing transactions divided by country.

Countries

The countries should be listed in alphabetical order

Number and amount of incoming and outgoing transactions

The number and amount of incoming and outgoing transactions should be reported in the respective country.

TABLE C: AGGREGATED VOLUME OF TRANSACTIONS DIVIDED BY COUNTRY

This report is intended to gather information on the total amount of incoming and outgoing transactions divided by country aggregated per quarter/year.

Countries

The countries should be listed in alphabetical order.

Amount of incoming and outgoing transactions per quarter

The number and amount of incoming and outgoing transactions should be reported in the respective country.

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Form 3

NUMBER OF UNUSUAL TRANSACTIONS REPORTED TO MOT

This report shows the number of the unusual transactions reported to the MOT during the quarter.

Number of unusual transactions

The number of unusual transactions reported to the MOT based upon the objective and subjective indicators should be recorded for each month and reported on a quarterly basis to the Bank.

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Form 4

MOVEMENTS IN BANK ACCOUNT

This report is intended to collect information on the actual movements of funds into and out of each individual bank account. The MTC should fill in this form for each bank account individually.

Bank account number

The number of the bank account that will be itemized. Each bank account held by the money transfer company should be itemized separately.

Opening/Closing balance

The opening and closing positions of the bank account during the relevant reporting period.

Deposits

The total amount received from customers in connection with money transfers, which have been deposited on the bank account during the period under review.

Transfers from other bank accounts

The amount of total transfers made to this account.

Other receipt

All other receipts.

Payments made to correspondents

The payments made in connection with money transfers to correspondents during the period under review.

Transfers to other bank accounts

The total amount transferred to other bank accounts.

Payment of foreign exchange tax

The total amount used for paying the foreign exchange tax.

Other payments

All other payments.

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Form 5

AMOUNTS RECEIVED FROM CUSTOMERS IN CONNECTION WITH MONEY TRANSFERS SPECIFIED PER CURRENCY

This report gives an overview of the total funds received from customers specified per currency.

Total amount received

The total net amount received specified per currency arising from completed money transfer transactions with customers.

Foreign exchange tax

The total foreign exchange tax received specified per currency arising from completed money transfer transactions with customers.

Commission

The total commission received specified per currency arising from completed money transfer transactions with customers.

Other fees

The total of other fees received specified per currency arising from completed money transfer transactions with customers.

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Form 6

CURRENT ACCOUNT WITH CORRESPONDENT(S) PERTAINING TO TRANSFERS

This statement shows the claims on and liabilities to correspondent(s) arising from money transfer. The MTC should fill in this form for the current account held with each correspondent.

Opening/Closing balance

The opening and closing positions of the claim on or liability to the correspondent during the relevant reporting period. Depending on whether the balance is a claim or a liability, only one of the fields on the opening/closing balance line should be filled in.

Payments made to clients on behalf of the correspondent

The total amount paid out to resident customers on behalf of the correspondent.

Payments made to settle account with the correspondent

The total amount settled with the correspondent to the credit of the balance on current account.

Payments made by the correspondent to nonresident beneficiaries

The total amount paid out by the correspondent.

Payments received from the correspondent for settlement

The total amount settled with the correspondent to the debit of the balance on current account.

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Form 7

OUTSTANDING TRANSFER AMOUNT NOT YET PAID BY CORREPENDENTS

This statement shows the amounts due from correspondents arising from money transfer transactions.

Opening/Closing balance

The opening and ending positions of the amounts still due to be paid out by correspondent to beneficiaries in the relevant reporting period.

Amounts received from customers to be paid to beneficiaries by the correspondents

The total amount received from customers for payment to beneficiaries via the correspondents.

Payments made to beneficiaries by the correspondents

The total amount paid out by the correspondents.

Bank guarantee

The amount of the bank guarantee issued by your bank to the Bank.

Surplus/Deficit

This is the difference between the closing-balance and the bank guarantee. This will result in a surplus or a deficit.

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Form 8

INCOME STATEMENT

This statement shows a summary of the MTC's financial operations for a specific period, including net profit or loss for the period concerned.

The MTC that conducts other activities in addition to money transfer activities should maintain separate ledgers for each of the activities.

Sales money transfers and other related activities

The total sales of money transfer, international calls and other related services should be reported separately.

Direct expenses money transfer and other related activities

The direct expenses in connection with money transfer, international calls and other related activities should be reported separately.

Gross margin

Gross margin is the difference between the net sales less the costs of service provided.

Operating expenses

The total operating expenses incurred during the period under review.

Result from operations

The result from operations is the difference between the gross-margin less total operating expenses.

Result before taxation

The result before taxation is the difference between the result from operations less interest income/expenses and other income/losses.

Profit tax

The estimated profit tax due based on the result for the period under review.

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Form 9

BALANCE SHEET

This statement shows the total assets and liabilities at the end of each quarter.

Non-current assets

Under this item all fixed and financial assets should be reported.

Current assets

Under this item all assets (excluding cash and banks) with a maturity of less than one year should be reported.

Cash and banks

Total cash in hand and deposits held at banks.

Equity

(Shareholders') Equity is defined as the difference between the assets minus the current and non-current liabilities of the company.

Non current liabilities

Under this item all liabilities with a maturity of more than one year should be reported.

Current liabilities

Under this item all liabilities with a maturity of less than one year should be reported.