

SECURITIES COMMISSION OF THE BAHAMAS

3rd Floor, Charlotte House
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P.O. Box N-8347
Nassau, Bahamas

PRESS RELEASE

FOR IMMEDIATE RELEASE:

November 16, 2004

CARDINAL INTERNATIONAL FUND SERVICES LTD.

In light of recent information provided to the media over the past few days by Cardinal International Fund Services Ltd. ('Cardinal'), a licensee of the Securities Commission of the Bahamas ('Commission'), regarding an inspection being conducted by the Commission, the Commission confirms that it is currently conducting an inspection for cause. When the inspection will be completed is dependant on the level of cooperation that the Commission receives from Cardinal

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The Securities Commission of The Bahamas ("the Commission") is a statutory body established in 1995 pursuant to the Securities Board Act, 1995, which was repealed and replaced by the Securities Industry Act, 1999 (the SIA). The Commission is responsible for the administration of the SIA and the Investment Funds Act, 2003 (the IFA), which provides for the supervision and regulation of the activities of the investment funds, securities and capital markets. The Commission, having been appointed Inspector of Financial and Corporate Service Providers effective 1 January 2008, is also responsible for administering the Financial and Corporate Service Providers Act, 2000.

The Commission's mandate is to formulate principles to regulate and govern investment funds, securities and capital markets; maintain surveillance over investment funds, securities and capital markets ensuring orderly, fair and equitable dealings; create and promote conditions to ensure orderly growth and development of capital markets; and to advise the Minister of Finance regarding investment funds, securities and capital markets.

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