

PRESS RELEASE

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THE SECURITIES COMMISSION OF THE BAHAMAS PUBLISHES GUIDELINES IN SUPPORT OF THE FAST TRACKING PROCESS

The Securities Commission of The Bahamas (SCB) has published Guidelines providing direction on the process for the fast tracking of applications for the licensing of investment funds that target accredited investors.

The fast track process which provides for the approval of this category of investment funds within 72 hours of receipt of a complete application is facilitated through the elimination of the delay in the processing of applications caused by the extensive due diligence exercise undertaken in regular applications. While due diligence will still be undertaken, this will now take place following the granting of the licence as is the practice in several competing jurisdictions. The rationale for this course of action is that the investment funds in question are targeting investors who are expected to be knowledgeable of the industry and capable of conducting their own due diligence, thereby requiring a reduced level of scrutiny by the regulator. The due diligence process is aimed at ensuring that the applicant and all related parties are fit and proper for the performance of their duties.

The Guidelines are comprehensive and cover the various requirements for licensing of these investment funds and the application process. Specific guidance is provided regarding the nature and quality of documents required, as well as what due diligence information will be necessary on parties related to the investment fund. Details on the proper completion of the application form are also provided. Once fully followed, the Guidelines will prove an essential element toward the successful and timely consideration of applications.

END

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("the Commission") is a statutory body established in 1995 pursuant to the Securities Board Act, 1995, which was repealed and replaced by the Securities Industry Act, 1999 (the SIA).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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