

# PRESS RELEASE

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FOR IMMEDIATE RELEASE  
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## THE SECURITIES COMMISSION OF THE BAHAMAS APPOINTED INSPECTOR OF FINANCIAL AND CORPORATE SERVICE PROVIDERS

The announcement today by the Honourable Zhivargo Laing, Minister of State for Finance, of the appointment of the Securities Commission of The Bahamas (“the Commission”) as Inspector of Financial and Corporate Service Providers (“the Inspector”), effective 1<sup>st</sup> January, 2008, is the first step in the Government’s efforts to streamline the regulatory regime of the financial services sector in the Bahamas. The Registrar General has performed the duties of Inspector since the Financial and Corporate Service Providers Act (FCSPA) was brought into force in 2000.

The Commission is a statutory body, established by an Act of Parliament in 1995, and charged with the responsibility of protecting the interest of the investing public, through its supervision and regulation of the activities of the investment funds, securities and capital markets. It is currently responsible for the administration of the Securities Industry Act, 1999 and the Investment Funds Act, 2003.

The Government is committed to the review of the regulatory regime with the view of addressing overlapping regulatory responsibilities and duplication of efforts by participants in the sector. The stated objective is to reduce the number of regulators from five (i.e. The Central Bank of the Bahamas, the Securities Commission of the Bahamas, the Registrar of Insurance Companies, the Inspector of Financial and Corporate Services, and the Compliance Commission) to no more than two. This appointment, from a practical perspective, effectively reduces the number of regulators in the sector to four. It should be noted that the Compliance Commission, which enforces compliance with anti-money laundering rules and regulations for designated entities not otherwise regulated, plays an important role in the oversight of licensees under the FCSPA as it assists with the on-site inspections of licensees.

In light of the transfer of the Inspector to the Commission, the following information is provided to inform licensees under the FCSPA, as well as the general public, of measures being taken to ensure a smooth and seamless transition:

- The application process for new licences and the renewal of licences will remain the same. Please note that although the current legislation does not provide for a deadline in which annual fees are to be paid to the Inspector, we are requiring that payment for the renewal of licences for 2008 be made on or before January 31<sup>st</sup>, 2008.

Applications and their attending fees for 2008 are to be submitted to:

The Inspector of Financial and Corporate Service Providers  
c/o The Securities Commission of The Bahamas  
3<sup>rd</sup> Floor, Charlotte House  
P.O. Box N- 8347  
Nassau, Bahamas  
Telephone No: (242) 356-6291/2  
Fax No: (242) 356- 7530  
Email: [info@scb.gov.bs](mailto:info@scb.gov.bs)  
Website: [www.scb.gov.bs](http://www.scb.gov.bs)

- Any application for a license covering a period before 31<sup>st</sup> December, 2007, or any outstanding payments due before this date, should continue to be sent to the attention of the Inspector at the Registrar General's Department.
- It is noted that it has been the practice of the Inspector in the past to accept cash for payment of fees. Please be advised that the Commission will not continue this practice. In the circumstances, we advise that cheques are the only acceptable form of payment and are to be made payable to The Inspector of Financial & Corporate Service Providers.

Finally, the Commission is aware of the concerns expressed by the industry with regard to the administration of the FCSPA and is prepared to address these and other identified deficiencies in a general review of the FCSPA in 2008. Some of these concerns include the rationalization of the difference in fees paid by companies versus individuals, the implication for non-payment of fees by licensees, the lack of a definition of "financial services" in the FCSPA, and a clarification of the policy of granting a licence to conduct specific activities versus a licence to conduct financial and corporate services generally.

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