

SECURITIES COMMISSION OF THE BAHAMAS

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PRESS RELEASE

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**FOR IMMEDIATE RELEASE
June 10, 2009**

THE SECURITIES COMMISSION OF THE BAHAMAS SIGNATORY “B” to IOSCO MMOU

On June 10, 2009 it was announced that The Securities Commission of The Bahamas (the Commission) became a Signatory ‘B’ to the Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and Exchange of Information (the MMOU) established by the International Organization of Securities Commissions (IOSCO). The announcement was made at the 2009 IOSCO Annual General Meeting being held in Tel Aviv, Israel between June 8 and June 11, 2009, which is presently being attended by the Executive Director of the Commission Mr. Hillary Deveaux. The Commission applied to become a signatory to the MMOU in May, 2008. The Commission has signed the MMOU as a Signatory ‘B’ because the current information sharing provisions in Bahamian securities legislation do not comply with some of the terms of the MMOU. By signing the MMOU as a Signatory ‘B’ the Commission undertakes to make the necessary legislative changes to enable it to meet all of the terms of the MMOU. Once the necessary changes have been made the Commission would then become a Signatory ‘A’ of the MMOU.

The provisions of the draft Securities Industry Act and Regulations (the draft securities legislation) released for public consultation on May 11, 2009 until June 24, 2009 reflect the provisions necessary to enable the Commission to become a Signatory ‘A’ to the MMOU. The Commission therefore anticipates that once the draft securities legislation is brought into force the Commission’s change in status to a Signatory ‘A’ would be imminent.

In October 2002, IOSCO the international standard setting body for Securities Commissions adopted the MMOU as the model for international co-operation. The MMOU establishes standards to be applied by IOSCO Members when making or responding to requests for information. At the April 2005 Annual

Conference of IOSCO a timetable was agreed for all Member regulators, not already signatories to the MMOU, to meet the standards of the model by January 1, 2010.

There are currently one hundred and eighty eight (188) Members of IOSCO of which only fifty-two (52) Members are Signatories 'A' and nineteen (19) Members have signed up as Signatories 'B'.

Once The Bahamas adheres to the international standards and progresses from a Signatory 'B' to a Signatory 'A' of the MMOU it will be able to access information from other MMOU signatories and use our signatory status as evidence of good citizenship in the global financial industry.

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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