

PRESS RELEASE

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FOR IMMEDIATE RELEASE

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SECURITIES COMMISSION OF THE BAHAMAS ANNOUNCES ENFORCEMENT ACTION UNDER THE FINANCIAL & CORPORATE SERVICE PROVIDERS ACT, 2000

The Securities Commission of The Bahamas (“the Commission”) in its role as the Inspector of Financial & Corporate Service Providers (“the Inspector”) has today issued another **NOTICE** pursuant to Section 11(3) of the Financial & Corporate Service Providers Act, Chapter 369 (“the Act”) with respect to all persons involved in the business of providing financial services.

In this **NOTICE** the Inspector has extended the time within which all persons carrying on the business of providing financial services without a license are to report to the Inspector of Financial & Corporate Services. Persons are reminded that the Inspector utilises the definition of financial services issued by the World Trade Organization (WTO) and such services include, but are not limited to, money lending or other forms of credit extension, cash or pay advance, money or mortgage broking or other forms of financial intermediation, escrow and other custodial services.

The **NOTICE** stated that all persons conducting financial services now have an additional thirty (30) days from the issuance of the **NOTICE**, to present themselves to the Inspector’s offices to begin the process of becoming regularised. Once again, failure to comply with the Inspector’s **NOTICE** will result in those businesses being reported to the Police for criminal prosecution.

The Inspector would like to point out that while persons have been reporting, the time has been extended to give more persons the opportunity to report and become regularised under the Act.

The Inspector further advises that the **NOTICE** only applies to businesses who, but for the lack of a license, are legitimately engaged in the provision of financial services. The **NOTICE** does not apply to licensees of the Central Bank of The Bahamas.

Persons whose business activities include the promotion of get-rich-quick schemes, ponzi schemes or deploy any scheme that places the investing public in harm's way should know that if discovered by the Inspector, they will be reported to the Police for criminal prosecution and dealt with to the full extent of the law. The Inspector assures the general public that it remains resolute in its efforts to protect the public from persons who seek to operate outside the confines of the law.

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 FIA), 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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