



Securities Commission of The Bahamas

Consultation Paper:

DRAFT INVESTMENT FUNDS (AMENDMENT) REGULATIONS, 2017

Summary

The Investment Funds (Amendment) Regulations, 2017 (the “Regulations”) have been developed to amend the Investment Funds (Amendment) Regulations, 2013. The main objective of the Regulations is to establish increases in the fees payable under the Investment Funds Regulations 2012 by the repeal and replacement of Schedule 12 of the Investment Funds (Amendment) Regulations, 2013.

Scope

The Regulations will continue to apply to all categories of Investment Funds and Investment Fund Administrators who may be required to pay an application fee, annual renewal fee, initial licensing, principal office fee or administrative fee pursuant to the Investment Funds Regulations, 2003.

A late fee is provided for in respect of the late payment of an annual renewal fee or late filings of audited financial statements at the same rate as was provided in the Investment Funds (Amendment) Regulations, 2013.

Issued: 21 September 2017

The consultation period commences on Friday 22 September 2017 and ends on Friday 27 October 2017, during which time the Commission invites the public to share comments with regard to the draft Rules. Comments may be submitted via email to SIAconsultation@scb.gov.bs. Alternatively, comments may be submitted to:

The Executive Director

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P. O. Box N-8347
Nassau, The Bahamas
Tel: (242) 397-4100
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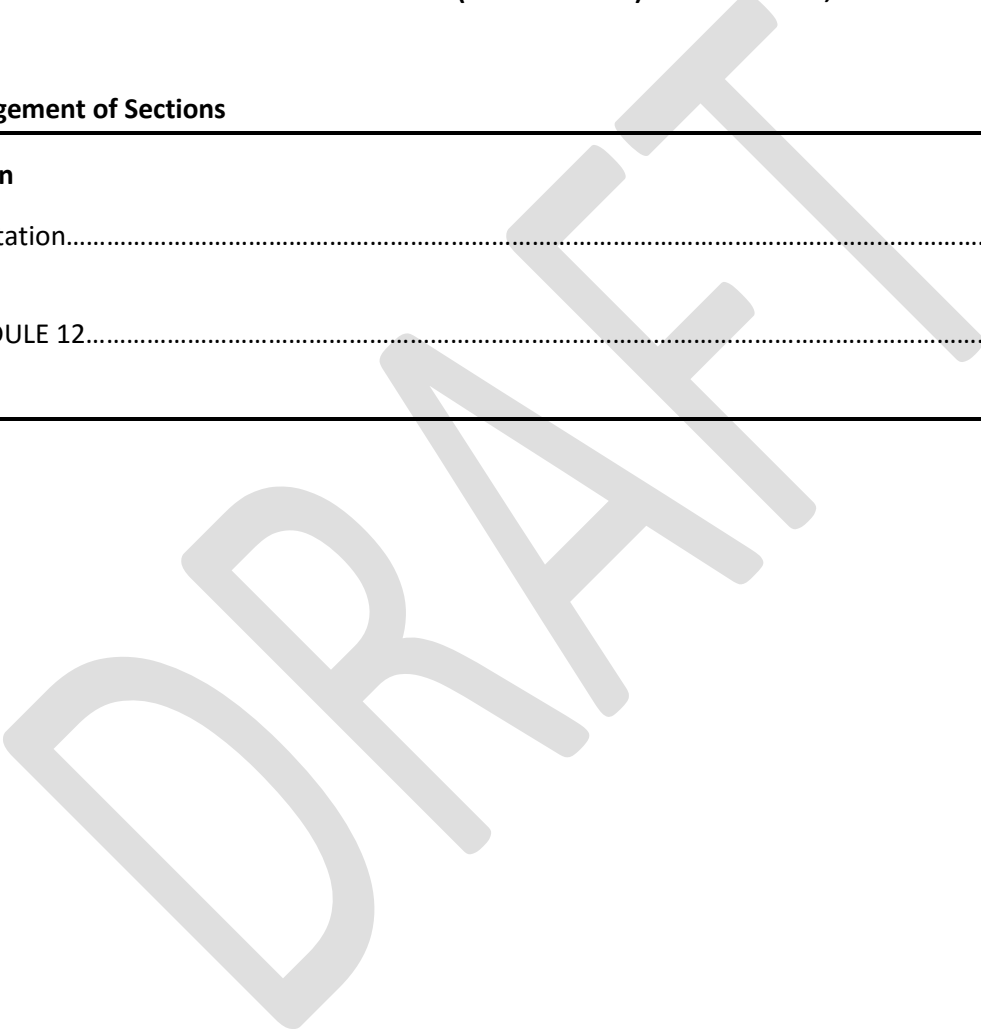
INVESTMENT FUNDS (AMENDMENT) REGULATIONS, 2017

Arrangement of Sections

Section

1. Citation..... 1

SCHEDULE 12..... 2-4



INVESTMENT FUNDS ACT
CHAPTER 369A
INVESTMENT FUNDS (AMENDMENT) REGULATIONS, 2017

The Minister, in exercise of the powers conferred by section 62 of the Investment Funds Act, makes the following regulations –

1. Citation.

These regulations may be cited as the Investment Funds (Amendment) Regulations, 2017.

2. Repeal of Schedule 12 of the principal Regulations.

Schedule 12 of the Investment Funds (Amendment) Regulations 2013 is repealed and replaced as follows –

SCHEDULE 12

(regulation 55)

- A. Table of Application and Annual Renewal Fees for Investment Funds licensed or registered under the Investment Funds Act

| Category | Application Fee | Annual Renewal Fee |
|--------------------------------------------------------------------------|------------------------|---------------------------|
| Standard Fund | \$1,500.00 | \$2,000.00 |
| Professional Fund – with Administrator | \$1,500.00 | \$2,000.00 |
| Professional Fund – with Administrator (Fast Tracked Application) | \$2,500.00 | \$2,000.00 |
| Professional Fund – Self Administered | \$1,500.00 | \$2,000.00 |
| Professional Fund – Self Administered (Fast Tracked Application) | \$2,500.00 | \$2,000.00 |
| SMART Investment Fund – with Administrator | \$1,500.00 | \$2,000.00 |
| SMART Investment Fund – with Administrator (Fast Tracked Application) | \$2,500.00 | \$2,000.00 |
| SMART Investment Fund – Self Administered | \$1,500.00 | \$2,000.00 |

| | | |
|-------------------------------------------------------------------------|------------|------------|
| SMART Investment Fund – Self Administered (Fast Tracked Application) | \$2,500.00 | \$2,000.00 |
| Recognized Foreign Fund | \$300.00 | \$1,200.00 |

B. Table of Principal Office Fees for Investment Funds licensed under the Investment Funds Act.

| Category | Principal Office Fee |
|--------------------------------------------|----------------------|
| Investment Funds | |
| Standard Fund | \$1,000.00 |
| Professional Fund – with Administrator | \$1,000.00 |
| Professional Fund – Self Administered | \$1,000.00 |
| SMART Investment Fund – with Administrator | \$1,000.00 |
| SMART Investment Fund – Self Administered | \$1,000.00 |

C. Table of Application, Initial Licensing and Annual Renewal Fees for Investment Fund Administrators licensed under the Investment Funds Act.

| Category | Application Fee | Initial Licensing Fee | Annual Renewal Fee |
|---------------------------------------------------------------|-----------------|-----------------------|--------------------|
| Investment Fund Administrators | | | |
| Restricted Investment Fund Administrator (0-24 Funds) | \$4,000.00 | \$7,000.00 | \$11,000.00 |
| Restricted Investment Fund Administrator (25-49 Funds) | \$6,000.00 | \$12,500.00 | \$17,000.00 |
| Restricted Investment Fund Administrator (50 Funds or more) | \$9,000.00 | \$10,000.00 | \$20,000.00 |
| Exempted Investment Fund Administrator | \$3,000.00 | \$3,000.00 | \$3,000.00 |
| Representative of a Non-Bahamas Based Fund | \$500.00 | N/A | \$700.00 |
| Unrestricted Investment Fund Administrator (0-24 Funds) | \$9,000.00 | \$10,000.00 | \$20,000.00 |
| Unrestricted Investment Fund Administrator (25-49 Funds) | \$10,000.00 | \$12,500.00 | \$25,000.00 |
| Unrestricted Investment Fund Administrator (50 Funds or more) | \$13,000.00 | \$15,000.00 | \$30,000.00 |

D. Table of Administrative Fees under the Investment Funds Act

| Category of Registration | Administrative Fee |
|-------------------------------------------------------------------------------------------------------------------------|--------------------|
| Fee approval of the appointment or change in a director or chief executive officer of the Investment Fund Administrator | \$400.00 |
| Re-Launching of a Dormant Fund | \$1,000.00 |
| Issuing, Transferring or Disposing of Shares of the Investment Fund Administrator | \$400.00 |
| Recognition or change of an Approved Money Laundering Reporting Officer (MLRO) of an Investment Fund Administrator | \$750.00 |
| Letters of Good Standing | \$300.00 |
| Replacement Certificates (per certificate) | \$300.00 |
| Notification of change of name and re-issuance of registration certificate (per certificate) | \$300.00 |
| Extension to file audited financial statements (1 st request) | \$1,000.00 |
| Extension to file audited financial statements (2 nd request) | \$1,500.00 |
| Surrender of Registration Certificate | \$300.00 |
| Publication of advertisement in The Bahamas | \$150.00 |
| Application for a "Exemption" or "Waiver" request | \$300.00 |

E. Table of Late Fees under the Investment Funds Act

| Category | Late Fee |
|---------------------------------------------|------------------------------------------------------------------------------------------|
| Late payment of Annual Renewal Fees | 1/12 of the amount of the annual fee payable or portion thereof that remains outstanding |
| Late filing of Audited Financial Statements | Up to \$2,000.00 for each month (or portion thereof) the payment remains outstanding. |

Made this day of

A.D., 2017

Minister of Finance