



The Risk Analytics and Examinations Unit conducted its FCSP Authorised Agent Training webinar on 20 February. From left: Odecca Gibson, Legal Counsel; Lesley Pearson, Senior Manager, Risk Analytics & Examinations; Christina Rolle, Executive Director, SCB; Shannel Neeley, Officer, Examinations.

## REGULATORY UPDATES

### Recently Implemented

Investment Funds (Amendment) (No. 2) Act, 2020, gazetted on 11 February 2020.

[Investment Funds Amendment](#)

Investment Funds Regulations, 2020 (IFR 2020), gazetted on 31 January 2020.

[IFR2020](#)

### Consultation Documents

Securities Industry (Amendment) Bill, 2020; Draft Securities Industry (Amendment) Regulations, 2020; Draft Securities Industry (Take-over) (Amendment) Rules, 2020; and Draft Securities Industry (Corporate Governance) (Amendment) Rules, 2020.

Consultation period concluded 11 March 2020

These amendments propose changes based on a review of The Bahamas' Ease of Doing Business rating, with a view to improving minority shareholder protections, strengthening disclosure requirements for directors, nominee directors and officers of public issuers, and addressing shareholder rights generally.

[SIA Proposed Amendments](#)

## IN THIS ISSUE:

- 01 REGULATORY UPDATES
- 02 MEDIA RELEASES /ALERTS AND NOTICES
- 03 UPCOMING INDUSTRY BRIEFINGS/EVENTS AND MEETINGS
- 04 AROUND THE COMMISSION ON THE HORIZON  
FILINGS WATCH  
RECOMMENDED READING



## MEDIA RELEASES/ALERTS AND NOTICES

### Notice

Extension of Deadline for Economic Substance Filing  
Issued: 27 March 2020

The Securities Commission of The Bahamas on behalf of the Regulatory & International Affairs Unit, Ministry of Finance issued this notice to registrants and licensees with regard to all entities with a fiscal year end after 30 June 2019 that are required to submit economic substance filings pursuant to the Commercial Entities (Substance Requirements) Act, 2018 (CESRA) advising that the deadline for economic substance filing is extended by 3 months for all entities reporting for fiscal year 2019.

*For further information contact the Regulatory & International Affairs Unit, Ministry of Finance for more information*

### Notice

Guidance to Registrants and Licensees with Respect To Emergency Powers (COVID 19) Regulations, 2020 (Chapter 34), Emergency Powers (COVID 19) (No. 2) Order, 2020  
Issued: 24 March 2020

The Commission issued the Guidance with regard to the Emergency Powers (COVID 19)(No. 2) Order, 2020 which came into effect 24 March 2020 at 9am and to remain in effect until 31 March 2020 at 9am.

[Guidance COVID 19 Order No.2](#)

### Notice

SCB Operational Changes as a Result of Emergency Powers (COVID 19) (No. 1) Order, 2020  
Issued: 20 March 2020

The Commission issued this Notice to advise registrants, licensees and the general public of operational changes as a result of the issuance and coming into force of the Emergency Powers (COVID 19) (No.1) Order, 2020. In accordance with the Order, effective immediately and until 9am on Tuesday 31 March 2020, the Commission would be closed to the general public.

[Public Notice No. 6 of 2020](#)

### MARCH 2020

S	M	T	W	TH	F	S
01	02	03	04	05	06	07
08	09	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

### APRIL 2020

S	M	T	W	TH	F	S
			01	02	03	04
05	06	07	08	09	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

## INDUSTRY BRIEFINGS/ EVENTS AND MEETINGS

04 Bahamas Economic Outlook. Colliding Global Interests: Assessing the Impact

10 CFTC OIA International Regulators Conference, Boca Raton, Florida

## Notice

Guidance to Registrants and Licensees with Respect to Emergency Powers (COVID 19) Regulations, 2020 (Chapter 34), Emergency Powers (COVID 10) (No.1) Order, 2020  
Issued: 19 March 2020

The Commission issued this Notice to advise registrants and licensees per the Order, that they were able to maintain operations and regular business hours; however, those operations and regular business hours should be maintained within the parameters established by the Order. Registrants and licensees should not open to the general public and only require essential staff on premises. Non-essential staff should be allowed to work from home. Registrants and licensees must ensure that "social distancing" requirements are observed and maintained within their premises at all times. Order shall expire at 9am on Tuesday 31 March 2020. The Commission also disseminated a copy of this notice to the media.

[Guidance COVID 19 Order No.1](#)

## Media Release

Securities Commission ED Appointed to IOSCO Regional Committee Vice Chair  
Issued: 18 March 2020

The Commission issued this media release congratulating Executive Director Christina Rolle on her election as Vice Chair for the Inter-American Regional Committee (IARC) of the International Organization of Securities Commissions (IOSCO). Ms. Rolle will hold the Vice-Chair seat in a personal capacity for the 2020-2022 term. As a result of being elected Vice Chair of IARC, Ms. Rolle will also hold a seat on the IOSCO Board, for the duration of her term.

[IOSCO Regional Committee Vice Chair](#)

## Notice

SCB Operational Changes in Response to COVID 19  
Issued: 17 March 2020

The Commission issued this notice to inform all stakeholders and the general public about operational changes it had implemented to mitigate the spread and impact of COVID-19 in the community, and to protect the health of staff, registrants and licensees, and visitors to the premises.

[Operational Changes COVID 19](#)

## FEEDBACK

For feedback, questions or to provide information email: [oed@scb.gov.bs](mailto:oed@scb.gov.bs), reference *SCB Brief V1, I3*.

Publication date: 31 March 2020

## Notice

Securities Commission of The Bahamas Fraud Matter  
Issued: 9 March 2020

The Commission issued this notice to inform the public that a fraudulent check in the amount of \$850,000 had been cleared through its operational account. The matter had been reported to the police who launched a criminal investigation into the matter. The Commission used the opportunity to advise all businesses to be vigilant with internal controls to prevent and detect fraud. It also noted that as the matter was ongoing it could not comment on it any further. Additionally, the Commission noted that the matter would not impact licensees or registrants in any way.

[SCB Fraud Matter](#)

## UPCOMING INDUSTRY BRIEFINGS/EVENTS AND MEETINGS

TBD: SIA/IFA/FCSPA Industry Briefing. The Commission will discuss its recently launched risk-based supervision platform, give special presentations with specific focus on AML/CFT, and provide updates on legislative and other developments applicable to our SIA/IFA/FCSPA registrants and licensees.

## AROUND THE COMMISSION

As a result of Emergency Powers (COVID 19)(No. 2) Order, 2020 which came into effect 24 March 2020, the Commission's offices are closed. Electronic versions of any required documents should be emailed to [info@scb.gov.bs](mailto:info@scb.gov.bs). Payments may be made via wire transfer. Wire transfer details will be sent directly upon request. The Commission will continue the licensing and registration of persons pursuant to the Acts, and offsite surveillance of registrants and licensees. The main phone lines will not be operational nor direct phone numbers. Please correspond with the Commission via email with any queries, concerns or complaints. If you do not have a specific address, direct your email to [info@scb.gov.bs](mailto:info@scb.gov.bs).

## 2020 EXAMINATION PRIORITIES

In an effort to promote transparency of the examinations process and highlight the top identified areas of risk in the securities sector, the Commission has established its examination priorities for the 2020 calendar year. This aligns with the Commission's mandate to maintain surveillance over, as well as to formulate principles to regulate and govern investments funds, securities and the capital markets, to ensure orderly, fair and equitable dealings, and to protect investors. To view the priorities visit

[http://bit.ly/Exam\\_Priorities](http://bit.ly/Exam_Priorities)

## FCSP AUTHORISED AGENTS

The Securities Commission of The Bahamas, as the Inspector of Financial and Corporate Services, has approved the accounting firms/accountants to act as its agents in conducting the annual routine onsite examination for 2020. For a complete list visit

[FCSP Approved Agents List](#)

## ON THE HORIZON

The Securities Industry (Contract for Differences) Rules, 2020 are being reviewed for finalization.

[Contracts For Differences](#)

Investment Funds (Prescribed Jurisdictions) Rules, 2019 Finalized and awaiting promulgation.

Investment Funds (Fees) Rules, 2020

Finalized and awaiting promulgation.

Securities Industry (Anti-Money Laundering and Countering the Financing of Terrorism) (Amendment) Rules, 2020 are being reviewed for finalization.

[Securities Industry AMLCFT](#)

Financial and Corporate Service Providers (Anti-Money Laundering and Countering the Financing of Terrorism) (Amendment) Rules, 2020 are being reviewed for finalization.

[FCSP AMLCFT Amendment Rules](#)

The Digital Assets and Registered Exchanges (DARE) Bill, 2020 regulates initial token offerings (ITOs), digital asset businesses, including digital token exchanges, sponsors of ITOs and digital custody services and other digital asset service providers. Once enacted, any person conducting digital asset business in or from The Bahamas will require registration under the Act.

[Dare Bill](#)

## FILINGS WATCH

Licensees and registrants of the Securities Industry Act, 2011 (SIA), the Investment Funds Act, 2019 (IFA) and the Financial and Corporate Service Providers Act, 2000 (FCSPA) should refer to legislation and issued rules in order to remain compliant with their ongoing reporting obligations.

## RECOMMENDED READING

**"The future of funds in The Bahamas"**

by Christina Rolle

*The Bahamas Investor*, Fall/Winter 2019;

[digital.bahamasnet.com/go/thebahamasinvestor\\_july\\_2019/](http://digital.bahamasnet.com/go/thebahamasinvestor_july_2019/)

**"ESMA recommends action by financial market participants for COVID-19 impact."**

<https://www.esma.europa.eu/press-news/esma-news/esma-recommends-action-financial-market-participants-covid-19-impact>

**"Unstable coins: crypto assets, financial regulation and preventing financial crime in the emerging market for digital assets."**

Speech by Therese Chambers, Director of Retail and Regulatory Investigations at the UK FCA, delivered at The Advancement of Digital Assets and Addressing Financial Crime Risk, New York University School of Law, 6 March 2020.

<https://www.iif.com/Portals/0/Files/content/Regulatory/IIFStaffPaper->

[Sustainable%20Finance%20Case%20for%20Greater%20International%20Alignment-2020%2003%2002-Final.pdf](https://www.iif.com/Portals/0/Files/content/Regulatory/IIFStaffPaper-Sustainable%20Finance%20Case%20for%20Greater%20International%20Alignment-2020%2003%2002-Final.pdf)

**Gateway: The Bahamas Financial Review Winter 2019/2020**

BFSB's semi-annual publication with the primary objective and focused theme showcasing the "Bahamas Advantage".

[bfsb-bahamas.com/publications/gateway/winter2019-2020/](http://bfsb-bahamas.com/publications/gateway/winter2019-2020/)

**Doing Business 2020**

The World Bank Group flagship publication, the 17th in the series of annual studies, measures the regulations that enhance and constrain business activity. The publication presents quantitative indicators on business regulations and the protection of property rights across 190 economies from Afghanistan to Zimbabwe.

<https://www.doingbusiness.org/>

**The Future of Finance: The Impact of FinTech, AI, and Crypto on Financial Services**

by Henri Arslanian and Fabrice Fischer

From the cover: This book, written jointly by an engineer and artificial intelligence expert along with a lawyer and banker, is a glimpse on what the future of the financial services will look like and the impact it will have on society.