ANNUAL REPORT 2025

SECURITIES COMMISSION OF THE BAHAMAS

1995 – 2025

30 YEARS OF INTEGRITY, STABILITY AND INNOVATION

The Securities Commission of The Bahamas is responsible for the oversight and regulation of investment funds, securities, financial and corporate service providers, digital assets and registered exchanges, carbon credit trading and the capital markets in The Bahamas. The Commission utilizes market surveillance, regulatory oversight, enforcement of securities laws and its investor education program to protect investors, maintain fair, efficient and transparent markets, and reduce systemic risk. Our mission, vision and values fundamentally guide the work that we do and how we operate and articulately reflect our purpose and objectives in the financial services industry's landscape.

MISSION

To advance sustainable growth in the financial services industry and drive community and economic development by protecting investors and consumers, addressing emerging risks, and advancing financial education.

VISION

A trusted regulator known for excellence, agility and innovation in financial services regulation, fostering consumer and investor protection, market confidence and economic growth.

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SECURITIES COMMISSION OF THE BAHAMAS

Poinciana House
North Building, 2nd Floor
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P.O. Box N-8347
Nassau, The Bahamas

26 June 2026

The Hon. Michael Halkitis
Minister of Finance
Ministry of Finance
Cecil Wallace-Whitfield Centre
West Bay Street
Nassau, Bahamas

Dear Minister Halkitis:

In accordance with Section 33 (1) of the Securities Industry Act 2024, I have the honor of submitting to you, on behalf of the Members of the Securities Commission of The Bahamas (the Commission), the Annual Report for the Commission for the year ended 31 December 2025. Included in this Report is the Annual Statement of Accounts of the Commission for the year.

Yours sincerely,

Hon. Justice K. Neville Adderley (Ret.), M.B.
Chairman

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CHAIRMAN'S MESSAGE

HON JUSTICE K NEVILLE ADDERLEY (Ret)

The Securities Commission of The Bahamas' accomplishments in 2025, coupled with the progress of the previous 29 years has prepared it to meet the challenges of the future and to reach new heights of success.

The 2025 Annual Report of the Securities Commission of The Bahamas reflects a transformative journey spanning 30 years characterized by innovation, regulatory excellence, and international collaboration. It outlines the progress made in alignment with the newly established 2025-2027 strategic plan, which emphasizes an updated mission: to advance sustainable growth in the financial services sector, promote community and economic development, safeguard consumers and investors, address emerging risks, and enhance financial literacy.

The plan's objectives focus on recruiting, motivating, and strengthening talent. To achieve this, we are committed to enhancing our staff's skills and capabilities through initiatives such as a coaching framework designed to optimize productivity and performance management. This investment in human capital aims to cultivate a dynamic and effective organization vital for achieving strategic goals in a world of fast changing technology.

Furthermore, the Commission seeks to enhance its operational capabilities and efficiency through organizational restructuring and the implementation of advancements to address existing deficiencies. This includes developing comprehensive guidance materials to help registrants comply with financial regulations and a systems upgrade to facilitate data-driven insights, enhancing accountability and responsiveness within the organization, and developing service standards for applicants and registrants.

The preparation and readiness for international regulatory reviews, particularly for the OECD's Common Reporting Standard (CRS) peer review and the Caribbean Financial Action Task Force (CFATF) Mutual Evaluation scheduled for 2026, is a significant focus for the Commission. Industry briefings conducted in March on the International Priorities and Initiatives 2025, and the AML Industry Briefing held in December were to ensure that stakeholders are well-informed and prepared for compliance responsibilities. Across 2025, the Commission conducted preparatory meetings for visits by examiners, risk assessments, and thematic reviews. Through these efforts, among others, the Commission aims to uphold the jurisdiction's reputation.

Networking Opportunities

As chairman, I participated in IOSCO's 50th Annual Meeting in Doha, where representatives from around the world convened to discuss challenges and risks within global financial markets, reinforcing the importance of international networking and collaboration among securities regulators.

As a member of the Grand Bahama Community, I engaged to discuss a personal interest, equity-based crowd funding. Crowd funding has the potential to address the financing of small- and medium-sized enterprises (SMEs), while providing new avenues of investment for retail investors. The crowd-funding framework was developed in the Securities Industry (Business Capital) Rules 2021.

Poised for the Future

I express my gratitude to the Executive Director, my fellow Board members, and the staff, whose hard work, passion, and collaborative spirit were integral to our successes. I also want to acknowledge the invaluable support of the Government of The Bahamas in our efforts to protect investors, combat financial crime, and uphold transparency in our financial operations. I extend a warm welcome to Anthony Butler, the newest member of the Board. I am confident that his diverse perspectives and specialized expertise will help us skillfully navigate challenges.

As Chairman, I am honored to have carried the baton into and throughout this milestone year of the Commission's 30th anniversary. The Securities Commission of The Bahamas' accomplishments in 2025, coupled with the progress of the previous 29 years has prepared it to meet the challenges of the future and to reach new heights of success.

Structure and Membership of the Commission

The Securities Commission of The Bahamas (the Commission) is a statutory body, established in 1995 and is continued under the Securities Industry Act 2024 (SIA 2024).

The Commission's membership comprises a Chairman, Deputy Chairman, the Executive Director (ex officio), and up to five members appointed by the Minister of Finance. The Minister appoints board members based on their experience or demonstrated capacity in matters relating to industry and the disciplines of commerce, law, finance, or administration.

The SIA 2024 provides for the Chairman to hold office for a period of five years, and the Deputy Chairman and other members to hold office for a period not to exceed four years. The Act further provides that all members, including the Chairman, are eligible for reappointment. The Executive Director also holds office for a period of five years and is eligible for two additional terms upon reappointment on the recommendation of the Commission.

Table 1: Board of the Commission as at 31 December 2025

Name	Position
Hon Justice K Neville Adderley (Ret)	Chairman
Peter T Carey	Deputy Chairman
Christina R Rolle	Ex officio Member
Luther McDonald, KC	Member
Phaedra Mackey	Member
Jerome Gomez	Member
Bede Sands	Member
Anthony Butler	Member

Role of the Board

The Board is responsible for governance of the organization. The duties of the Board include overseeing the strategic focus, policymaking with regard to the Commission, and establishing rules and guidelines applicable to all areas of industry for which the Commission has regulatory responsibility: investment funds, securities and the capital markets, financial and corporate services, digital assets and trading in carbon credits. The Board has the authority to establish committees to assist in the execution of its duties.

During 2025, the Board held **12** regular meetings.

No exceptional matters occurred in relation to the Board from a governance or structural perspective during the 2025 period.

Committees of the Board

Audit Committee

The Audit Committee (AC) advises and makes recommendations on matters relating to corporate governance, including internal financial controls, internal and external audits, and compliance with financial reporting requirements. It also assists the Commission in reviewing remuneration and other related policies for employees of the Commission.

Members of the Commission (left to right): Bede Sands; Peter T Carey, Deputy Chairman; Christina Rolle, Executive Director; Hon Justice K Neville Adderley (Ret), Chairman; Phaedra Mackey; Anthony Butler; Luther McDonald. Not Pictured: Jerome Gomez

Table 2: Audit Committee members as at 31 December 2025

Phaedra Mackey	Chair
Peter T Carey	Member
Bede Sands	Member

The AC held **3** meetings during 2025. Christina Rolle attended in her capacity as Executive Director, Mechelle Martinborough attended in her capacity as Board Secretary, Monique Sands, the Commission's Head of Finance, attended as a management representative, and Lesley Pearson attended in her capacity as Head of Internal Audit.

Human Resources Committee

The Human Resources Committee (HRC) assists the Commission in establishing and reviewing remuneration, benefits and policies for employees of the Commission including salary scales, pensions, bonuses, leave entitlement and any other benefit or incentives. The HRC also hears and considers formal complaints and grievances raised by staff. Its functions also include the periodic review of staff turnover and other human resources reports.

Table 3: Human Resources Committee members as at 31 December 2025

Jerome Gomez	Chair
Peter T Carey	Member
Luther McDonald, KC	Member

The HRC held **2** meetings during 2025. Christina Rolle attended in her capacity as Executive Director, Mechelle Martinborough attended in her capacity as Board Secretary and Nikia L Forbes, Senior Manager Human Resources attended in her capacity as human resources manager.

STRATEGIC PLAN 2025-2027

In 2025, the Commission commenced the inaugural year of its Strategic Plan 2025-2027 (the Plan), serves as a guiding framework for advancing our Mission and Vision. Through the Plan's implementation, we are dedicated to meeting our regulatory responsibilities and upholding a robust and trustworthy financial ecosystem.

Strategic Objectives

Over this strategic period, the Commission will focus on fortifying our foundation and advancing our capabilities to effectively regulate and oversee the financial services sector. Our strategic objectives are designed to promote excellence and innovation in our operations and continued growth and sound regulation in our financial environment. This plan commits to four strategic objectives:

- **Attract, Motivate & Strengthen Talent**
- **Enhance Operational Capabilities & Performance**
- **Enhance Systems for Data-driven Insights, Decisions & Accountability**
- **Ensure Readiness for International Regulatory Reviews**

For each objective, the Commission has established priorities and outlined key initiatives it will undertake to achieve the overall objective. Measures of success have also been established.

Attract, Motivate & Strengthen Talent

The Commission acknowledges that our success is fundamentally dependent on the expertise and dedication of our staff. We remain committed to strengthening our staff's skills and capabilities with a particular focus on leadership continuity and professional advancement. The priorities for this objective are:

1. Construct a data warehouse to centralize and manage organizational data.
2. Implement a robust succession planning process for critical roles within the Organization.
3. Develop a coaching and mentoring framework to support employee development.
4. Optimize productivity through improved performance management.
5. Formulate a comparative review strategy for employee compensation and benefits.
6. Conduct gap analysis on technical capacity and training.

Execution Strategy

- Develop and disseminate career roadmaps and qualification milestones for each role.
- Craft and institute a clear and actionable succession plan for seamless leadership transitions.
- Develop a mentor/buddy system to facilitate knowledge sharing and career development.
- Revamp the performance management process to align with career roadmaps, qualifications milestones and succession planning objectives.
- Implement an annual remuneration benchmarking process against peer regulators and the industry to ensure competitiveness.
- Identify training to improve technical capacity in fintech developments.

Success Measures

- Retention of high performing employees and staff designated as successors.
- Increased number of internal candidates ready to assume critical roles.
- Improvement in performance metrics of employees.
- Completion and implementation of comparative compensation review process.

How does this support licensees?

- Enhanced expertise, knowledge and problem-solving capabilities
- Ensured continuity and stability at the Commission
- Enhanced engagement and licensee satisfaction

Enhance Operational Capabilities & Performance

The Commission remains dedicated to operational advancements to drive efficiency in its processes and organizational structure with an aim to ensure consistent and relevant guidance and mutually beneficial relationships with licensees. The priorities for this objective are:

1. Perform a policies and procedures gap analysis and address identified deficiencies.
2. Develop a bank of external guidance notes (GN).
3. Establish a standard response bank for frequently asked questions (FAQs).
4. Define the future operational state within the organization and for interactions with licensees and registrants.

Execution Strategy

- Conduct a gap analysis of internal policies and implement corrective strategies.
- Identify areas needing guidance, draft GNs based on gaps identified, and refine the delivery strategy for GNs.
- Analyse common inquiries, collate topics and develop a FAQs bank.
- Deliberate on the data for impactful internal and external reporting.
- Complete Compliance and Regulatory Interface (CoRI) implementation and rationalization of further implementation of Project Butterfly.
- Streamline licensee-related processes by reducing dependency on manual analysis.

Success Measures

- Completion of comprehensive policy and procedure documents.
- Achievement of interconnected systems and improved interdepartmental collaboration for reporting.
- Increased compliance rates on continuing obligations and other statutory requirements.
- Positive response rates to surveys, directives, international requests and thematic reviews.
- Increased number of applications and reporting via CoRI.

How does this support our licensees?

- Streamlined regulatory processes
- Enhanced licensee experience
- Clarified requirements, expectations and issues

Enhance Systems for Data-driven Insights, Decisions and Accountability

The Commission will prioritize upgrading systems to better analyse and utilize data collected, enabling the leverage of accurate and timely information across all levels of the organization. This strategic focus will also positively impact our reporting capabilities. The priorities for this objective are:

1. Construct a data warehouse to centralize and manage organizational data.
2. Formulate a comprehensive data strategy and data governance policy to guide the organization's data management and utilization.

Execution Strategy

- Implement data verification and unification processes.
- Ensure data consistency and reliability across all applications.
- Conduct regular reviews and monitoring of data controls.
- Standardize and regulate data input sources to maintain quality and facilitate effective monitoring.
- Standardize data processes across various systems and departments.

- Assemble a dedicated project team for establishment, implementation and maintenance of a data strategy and data governance policy.
- Develop Management Information Reports for the capital markets and other sectors overseen by the Commission.

Success Measures
- Completion of Data Warehouse with data analysis functionalities.
- Integration of data from all relevant sources into Data Warehouse.
- Completion of a comprehensive Data Strategy document.
- Positive feedback from employees regarding data accessibility, usability and reporting capabilities.

How does this support our licensees?
- Enhanced data on industry trends, risk insights and regulatory focus areas
- Enhanced usability of CoRI

Ensure Readiness for International Regulatory Reviews

The Commission will concentrate on preparation and continuous improvement initiatives to ensure we meet the expectations of international regulatory reviews. This proactive approach reflects our commitment to protecting investors and consumers while upholding the reputation of our jurisdiction. The priorities for this objective are:

1. Establish a process for overall preparation for international reviews and ensuring legislative framework complies.
2. Enhance compliance monitoring measures.
3. Conduct regular training and capacity building.

Execution Strategy
- Monitor and implement standards developed by standard setting bodies.
- Identify timelines and deliverables from the 5th Round Mutual Evaluations process (MER).
- Facilitate preparatory meetings for visits by examiners.
- Conduct sectoral risk assessments and create a risk-based examinations schedule.
- Assess deficiencies, breaches and sanctions from examinations conducted and regulatory reviews to identify and address trends.
- Enforce administrative actions including remediation timelines.
- Reimplement industry briefings that includes information on international review readiness.

Success Measures
- Improvement in examinations results with a decrease in the number and severity of compliance violations.
- Increased effectiveness and timeliness of enforcement actions taken against non-compliant entities.
- Favorable outcomes from international regulatory assessments.

How does this support our licensees?
- Streamlined regulatory processes
- Enhanced licensee experience
- Clarified requirements, expectations and issues

SECURITIES COMMISSION OF THE BAHAMAS

EXECUTIVE DIRECTOR'S REMARKS

CHRISTINA ROLLE

"30 Years of Integrity, Stability, and Innovation"—a milestone reflecting the Commission's transformation into a leading financial services regulator.

Domestically and globally, 2025 was another year of progress, collaboration, and notable recognition for the Securities Commission of The Bahamas. On 20 June, we celebrated our 30th anniversary under the theme "30 Years of Integrity, Stability, and Innovation"—a milestone reflecting the Commission's transformation into a leading financial services regulator.

Throughout the year, the Commission continued to improve our readiness for international reviews, advanced systems that support data-driven decision-making and accountability, and strengthened our organizational capacity by attracting and developing in-house talent.

International Assessments

Since early in its inception, the Commission has recognized the importance of engagement with the international regulatory community. These cross-border relationships are integral to the success of the financial services industry, particularly given the global fight against tax avoidance and money laundering, and 2025 was a critical year for ensuring the industry's continued compliance with the bodies that set these standards.

A significant piece of legislation shaping the Commission's work this year was the Automatic Exchange of Financial Account Information (Delegation) Order 2025 (the Order). The Order designated the Commission, alongside other financial services regulators, as a Designated Supervisory Authority, transferring from the Competent Authority, responsibility for the supervision, oversight, management, and enforcement of the Common Reporting Standard (CRS) for the financial institutions we regulate.

As a result, much of 2025 was devoted to preparing our registrants and licensees for two assessments critical to the continued success of The Bahamas' financial services industry: the Organisation for Economic Co-operation and Development (OECD) CRS Peer Review for the Automatic Exchange of Financial Account Information (AEOI), and the Caribbean Financial Action Task Force (CFATF) Mutual Evaluation—both scheduled for 2026. Preparations for these assessments included industry forums, policy and regulatory discussions with domestic and international stakeholders and the Government, and thematic reviews and examinations of registrants and licensees.

While readiness preparation is ongoing, the progress achieved to date reflects high standards of regulatory excellence and reaffirms The Bahamas' commitment to transparency, compliance, and international cooperation. Beyond the OECD assessment, our participation in peer reviews and international evaluations more broadly allows us to assess and refine our practices and remain at the forefront of global regulatory developments.

Operational Developments

The Commission continued to prioritize systems modernization to enhance data analysis and information flow across the organization. Enhancements to the Compliance and Regulatory Interface (CoRI) portal refined our data collection practices and simplified reporting requirements for registrants.

To make fuller use of the data collected across our regulatory functions, we engaged a strategic partner to review current systems, functionalities, and practices. This exercise will assess the Commission's readiness for a data warehouse, inform development of a data strategy, support formalization of a data governance policy, and guide a comprehensive review of our technical environment—including a gap analysis identifying the steps required for full implementation. Together, these initiatives form part of a broader strategy to strengthen reporting and supervisory capabilities through robust data governance, with success measured by completion of the data strategy and warehouse, improved data accessibility and usability, and stronger reporting capabilities.

Building Institutional Capacity

I am honoured to lead a team of over one hundred professionals whose diverse expertise and steadfast commitment uphold the Commission's high standards and our mission of fostering a robust regulatory environment. As markets evolve and financial products grow more complex, we have invested in expanding our supervision and examinations functions to match the increasing reach and sophistication of our examination processes.

Key developments by year-end included the creation of a Remediation Unit within the Examinations Department, headed by Monalisa Hanna, effective 1 November, and the establishment of Risk Analytics as an independent department, effective 1 December, headed by Jerryse Rolle—both managers were promoted from within, a testament to the quality of staff resident in the Commission.

Lesley Pearson, Head of Internal Audit was promoted to Deputy Executive Director. Also in 2025, the Commission had several staff members who were selected by The Bahamas to be fifth round trained assessors. They have all been selected and assigned to the Mutual Evaluation of other CFATF member jurisdictions. Additionally, a growing number of staff attained professional certifications such as the CPA and CFA. This depth of expertise positions the Commission well to meet both domestic and international regulatory expectations.

I also wish to acknowledge the retirement of Stephen Thompson, Deputy Manager in the Office of Legal Counsel, who had been seconded to the Office of the Attorney General. Mr. Thompson retired on 1 July 2025 after more than four years of dedicated service, and we extend our sincere appreciation for his contributions.

Strengthening Regulatory and Enforcement Action

Our enforcement and regulatory functions were further strengthened in 2025, evidenced by the issuance of penalties for non-compliance and the Supreme Court of The Bahamas' approval of an agreement regarding FTX Digital Markets Ltd. Under this agreement, the Joint Official Liquidators were permitted to subordinate the Commission's regulatory claim under the Digital Assets and Registered Exchanges Act (DARE Act)—a case that underscores the effectiveness of our regulatory framework in resolving complex cross-border concerns and achieving fair outcomes for all stakeholders.

A New Decade: The Coming Years

Reflecting on the evolution of the markets we regulate, and the growing demands on our supervisory functions, we are preparing to relocate the Supervision Department to a dedicated space better suited to its expanding responsibilities.

As the Commission enters its next decade, we remain focused on a clear, forward-looking vision. The path ahead will undoubtedly involve uncertainty and change, but we remain anchored by our commitment to integrity, stability, and innovation. Our ongoing evaluation of the regulatory and supervisory framework reinforces the value of clear standards, consistent supervision, and effective implementation, and we will continue working closely with the Government and the private sector to ensure a strong, unified, and compliant regulatory environment.

A Personal Reflection

It has been a privilege to lead the Commission for the past 11 years, a period of significant change. This has included substantial advances in our technical capacity and notable innovations in financial services, including an enhanced Investment Funds Act and the creation of the DARE Act, supported by sustained investment in staff training and capacity development.

Our international engagement has provided a platform for the Commission—and, by extension, The Bahamas—to ensure our perspectives and priorities help shape global standards for securities regulation and information sharing as they evolve. This has included our membership in the Caribbean Group of Securities Regulators, which The Bahamas chaired for four years, and our increased engagement with IOSCO, which has afforded us greater visibility and credibility. The culmination of this international involvement is my election as Chair of IOSCO's Inter-American Regional Committee for a two-year term beginning in 2026, a platform we intend to use to advance the unique concerns of small island developing states.

It is with tremendous gratitude that I thank the Commission's Board, staff, stakeholders, regulatory partners, Government officials, and all who have contributed to our growth and development. I am pleased to present their efforts as reflected in this 2025 Annual Report.

MANAGEMENT TEAM

AS AT 31 DECEMBER 2025


CHRISTINA ROLLE
Executive Director


MECHELLE MARTINBOROUGH
Deputy Executive Director
Senior Legal Counsel
Office of Legal Counsel


MONIQUE SANDS
Finance Director
Head of Finance


CHRISTIAN ADDERLEY
Deputy Executive Director
On secondment as at 7 October 2024


LESLEY PEARSON
Deputy Executive Director
Head of Internal Audit


ALYSIA ARCHER-COLEBROOKE
Senior Manager
Administration


JOHN CLARKE
Manager
Information Technology


NIKIA FORBES
Senior Manager
Human Resources


RENALDO HARDING
Senior Manager
Examinations


MAGAN KNOWLES
Senior Manager
Supervision


STEWART MILLER
Manager, Investor Education
and Communications Unit


SHERINN MUNNINGS
Manager, Project Management
and International Relations Unit


ASHLEY POITIER
Manager
Policy and Research Unit


JERRYSE ROLLE
Manager
Risk Analytics


GAWAINE WARD
Senior Manager
Enforcement


LAMYSHA COX
Legal Counsel
Office of Legal Counsel


NICHOLETTE FARRINGTON
Manager
Examinations

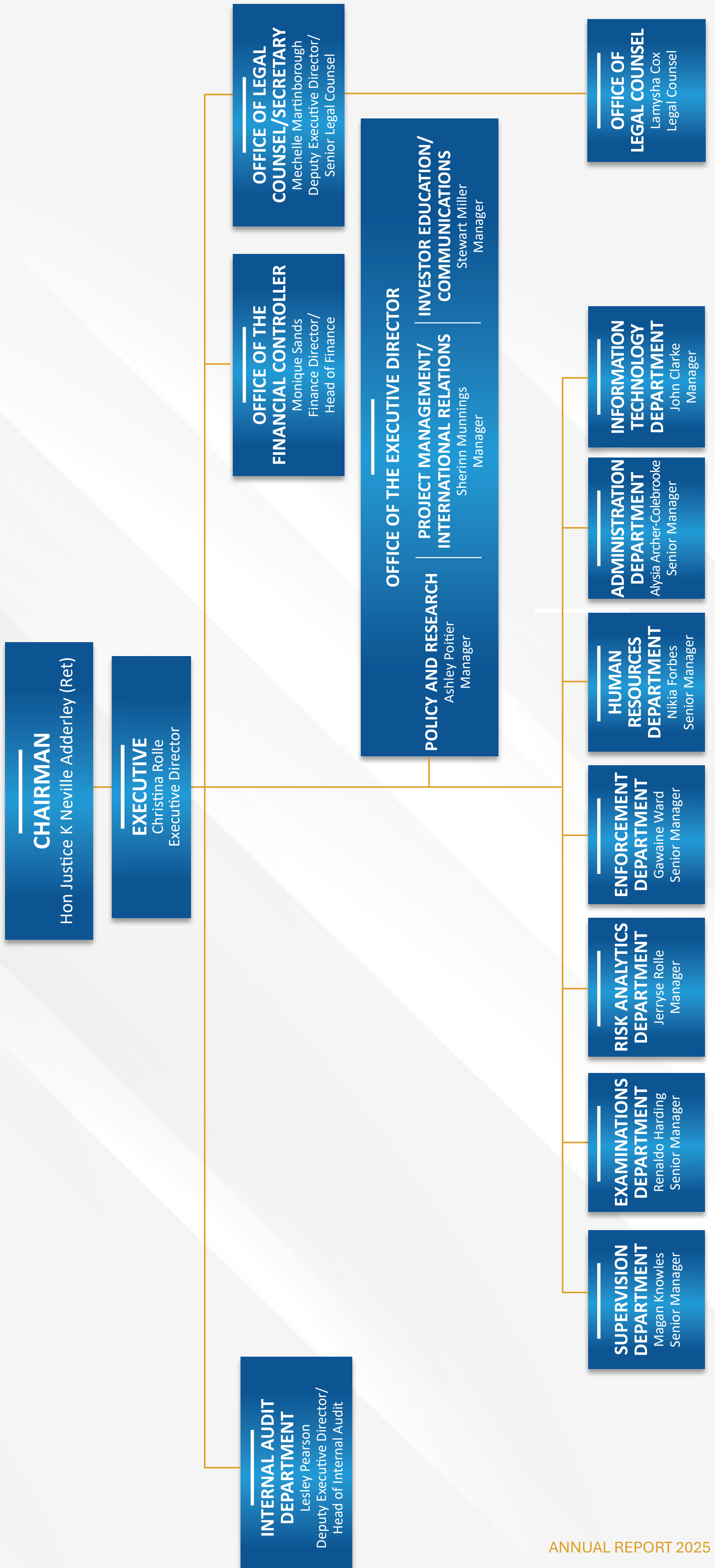

CAROLYN FERGUSON
Manager, Supervision
IFA and FCSPA Unit


MONALISA HANNA
Manager, Examinations
Remediation Unit


DANIEL STRACHAN
Manager, Supervision
SIA and DARE Unit

ORGANIZATIONAL CHART

AS AT 31 DECEMBER 2025



DEPARTMENTS OF THE COMMISSION

Office of the Executive Director

The Office of the Executive Director (OED) consists of three units to achieve its objectives:

- Policy and Research has responsibility for collecting, analysing and reporting statistical data; supporting the development of research and policy papers; providing technical support in the development of legislation and maintaining the fintech innovation hub SCB FITLink.
- Project Management and International Relations is responsible for overseeing management of local and international stakeholder relationships; facilitating strategic planning; monitoring international standards setters, managing special projects, and business ethics and compliance in the Commission.
- Investor Education and Communications is responsible for managing the Commission's investor education program and overseeing public relations and communications.

Supervision Department

The Supervision Department (SUD) is responsible for processing applications for the licensing and registration of persons wishing to conduct registrable and licensable activities under the legislation administered by the Commission. It is responsible for the monitoring and supervision of market participants under the administered Acts and the review and registration of prospectuses for public offerings and private placements. Supervision is currently structured as two units:

- SIA and DARE Unit supervising licensees and registrants of the Securities Industry Act 2024 and the Digital Assets and Registered Exchanges Act 2024.
- IFA and FCSPA Unit supervising licensees and registrants of the Investment Funds Act 2019 and Financial and Corporate Service Providers Act 2020.

The department is also tasked with monitoring solvency and operational and conduct risks of the Commission's licensees and registrants, which includes continuous Anti-Money Laundering/Countering the Financing of Terrorism/Countering Proliferation Financing (AML/CFT/ CPF) monitoring.

Examinations Department

The Examinations Department (EXD) is responsible for onsite and offsite examinations of all registrants and licensees. This includes processing and recommending applicants to act as the Commission's agents for the onsite examination of financial and corporate service providers, and reviewing any examinations they conduct on behalf of the Commission. In October the Remediation Unit was established.

- Remediation Unit is responsible for resolving examinations deficiencies by working with registrants and licensees on corrective action plans for regulatory compliance.

Enforcement Department

The Enforcement Department (END) is responsible for enforcing the laws administered by the Commission. The department investigates unregistered and unlicensed individuals and operations, coordinates the settlement of regulatory breaches by registered or licensed entities, and addresses criminal and civil court matters involving the Commission, among other things.

Office of the Financial Controller

The Office of the Financial Controller (OFC) is responsible for all aspects of the Commission's financial matters, including preparation and monitoring of annual budgets and the preparation of financial statements.

Office of Legal Counsel

The Office of Legal Counsel (OLC) provides legal advice to the Commission. OLC spearheads the review and development of laws administered by the Commission and financial sector legislation generally, assists in development and review of the Commission's guidelines and policies relating to the laws under the Commission's administrative remit, manages matters of international cooperation, and oversees international reviews and assessments.

Human Resources Department

The Human Resources Department (HRD) is responsible for the daily management of the human resources of the Commission, which includes ensuring adequate human capital to facilitate the Commission's mandate, as well as implementing and enforcing staff regulations.

Administration Department

The Administration Department (ADD) plans and oversees general administrative support and office services including the Commission's document management systems. The department is also responsible for general safety requirements within the premises and maintenance of the Commission's equipment and vehicles.

Information Technology Department

The Information Technology Department (ITD) facilitates the information and electronic communications needs of the Commission.

Internal Audit Department

The Internal Audit Department (IAD) reports to the Board via the Audit Committee and the Executive Director and is responsible for conducting risk-based reviews based on the annual risk assessment and internal audit priorities.

Risk Analytics Department

The Risk Analytics Department (RAD) reports to the Executive Director and is responsible for monitoring operational effectiveness and conducting risk assessments across all licensees and registrants of the Commission.

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SCB BY THE NUMBERS

ANNUAL REPORT 2025

Licensees and Registrants

As at 31 December 2025

161	SIA firms
380	SIA individuals
2	Marketplaces
1	Clearing Facility
41	IFA investment fund administrators
210	IFA investment fund managers
517	IFA investment funds
293	Financial and corporate service providers
32	Digital asset business and exchanges

IFA AUA

As at 31 December 2025

$45.57 billion **(preliminary)**

assets under administration Bahamas-based investment funds

Examinations

As at 31 December 2025

92

Penalties Assessed

As at 31 December 2025

$52,800 SIA Firms

$142,650 AML/CTF/CPF breaches

International Cooperation

As at 31 December 2025

14	requests received
13	requests closed
12	IOEAMA UNSC resolutions disseminated
6	FATF Public Statements disseminated

Enforcement

As at 31 December 2025

6	new matters
5	public notices/warnings issued

Executive Director and Executive Assistant

Investor Education and Communications Unit

Policy and Research Unit

Information Technology Department

Project Management and International Relations Unit

Administration Department

Human Resources Department

Internal Audit Department

OPERATIONS

Office of the Executive Director

Policy and Research

During 2025, the Commission focused its policy and research efforts on the following areas:

- Drafting of a research paper that, among other things, reviews the current landscape of the capital markets of The Bahamas, and provides recommendations to assist with its growth and development.
- Drafting an addendum to the research paper that outlines the objectives, benefits, and key considerations of adopting legislation requiring all private employers to offer an occupational pension plan for their employees.
- Researching and recommending the adoption of a sustainability disclosure framework for public issuers and environmental, social, and corporate governance (ESG) funds.
- Providing input to the Group of Financial Services Regulators' (GFSR) Countering Proliferation Financing Guidelines.
- Conducting preliminary research on the non-bank money lending industry in The Bahamas that should inform future policy for its licensees.
- Conducting preliminary research on asset tokenization and decentralized autonomous organizations (DAOs) to keep abreast of legal and regulatory developments in this area.
- Continuing the fintech industry engagement efforts of SCB FITLink, the Commission's fintech hub.

Capital Market Review

The Commission continued its research of the domestic capital markets with the aim of developing a paper that analyses the capital markets and makes recommendations that, if implemented, should lead to a more liquid and diverse capital markets in The Bahamas. The focus areas of the analysis covered the domestic capital markets inclusive of public offerings, investor protection measures, investor education, and exchange practices. Additionally, the Commission distributed a Capital Markets Survey for domestic recipients under the Security Industry Act 2024, which opened on 17 January and closed on 31 March. The data obtained from the survey will be used to further bolster the paper and its recommendations.

Pension Plan Addendum

During 2025, the Commission continued developing an addendum to the capital markets paper. The addendum reviews the link between domestic institutional savings, capital market development, and economic growth evident in various international markets, and proposes that the Government of The Bahamas adopts legislation requiring that all private sector Bahamian employers establish occupational pension plans for their employees. If adopted, the mandatory private pension legislation should promote retail and institutional investor participation in The Bahamas' capital markets, making them more robust and promoting liquidity, while simultaneously bolstering individuals' future retirement savings.

Sustainability Disclosure Framework

Traditionally, investors assess financial asset performance based on the financial position of their portfolios. However, with increased awareness of environmental, social, and corporate governance (ESG) concerns, investors are progressively considering the potential impacts companies and sustainable investment funds have on the environment. Thus, sustainable finance reporting—the practice of disclosing a company's sustainability efforts within its organization—is becoming an increasingly important topic of discussion in the financial and capital markets.

Finalized in 2025, the Commission's paper on a proposed sustainability disclosure framework aims to provide a comprehensive understanding of sustainable financial reporting and its benefits, risks and concerns. Additionally, the paper considers the efficacy of the adoption of sustainability disclosure standards for public issuers and ESG funds, based largely on the International Financial Reporting Standards Foundations' S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and S2 (Climate-related Disclosures) standards finalized in June 2024, and provides preliminary recommendations for a roadmap to adoption.

Countering Proliferation Financing Guidelines

In 2018, the Group of Financial Services Regulators (GFSR) issued a Guidance Note on Proliferation and Proliferation Financing (the Guidance Note) for the financial services industry. The Guidance Note defined proliferation financing, described the proliferation financing regulatory framework in The Bahamas, and outlined the international standards and obligations relevant to combating proliferation financing risks within The Bahamas that financial services registrants and licensees were required to adhere to when engaging in business activities. In 2020, the Financial Action Task Force (FATF) updated its Proliferation Recommendations. Subsequently, the Commission, as the current Secretariat of the GFSR, led the inter-agency group in updating the Guidance Note in accordance with FATF's updated standards. Finalized and published in July 2025, these updated Countering Proliferation Financing (CPF) Guidelines:

- Define Proliferation and Proliferation Financing (PF) and provides guidance on how registered entities should implement the updated PF recommendations in their CPF mitigation risk framework.

- Explain PF risks and key indicators, particularly regarding new and novel businesses and technologies such as digital assets.
- Describe the importance of financial services regulators in the jurisdiction in identifying and combating PF.
- Provide sector specific guidance for applicable sub-sectors of the financial services industry in The Bahamas, including gaming, crowdfunding, digital assets, and insurance. A copy can be found here: www.https://scb.gov.bs/wp-content/uploads/2025/11/GFSR-Countering-Proliferation-Guidelines_25-July-2025-1.pdf

SCB FITLink

The Commission continued engaging with the public on fintech-related issues, including digital asset business, crowdfunding, artificial intelligence, and initial token offerings. In 2025, SCB FITLink received **3** information requests from fintech stakeholders: **1** related specifically to DARE, and **2** concerning general fintech regulatory matters. Of these requests, **2** came from Bahamas-based stakeholders and **1** from an international stakeholder.

Capacity Building

The Commission is committed to ensuring its employees stay abreast of trends and emerging technologies in the digital asset space. The Commission engaged Chainalysis, a leader in blockchain analysis, cryptocurrency and digital asset tracing, to organize training for relevant employees. This primarily consisted of Chainalysis' Reactor Certification training, where staff revisited cryptocurrency and digital asset fundamentals and learned to trace transactions through various blockchains. In 2025, the Commission also engaged Chainalysis to conduct a series of bi-weekly interactive workshops with its investigative teams. The workshops, held from October 2025 to February 2026, provided ongoing capacity building by learning about aggregate trends, emerging products, and enhanced investigative techniques relevant to the digital asset industry.

Sponsorship of University of The Bahamas Fintech and Regulatory Innovation (UBFTRI) program

As a part of its functions, the Commission promotes public education on digital assets. To support this objective, the Commission liaised with the University of The Bahamas and the University of Cambridge's Centre for Alternative Finance to offer a course focused on the digital assets sector, which commenced with the first cohort in February 2024.

The University of The Bahamas Fintech and Regulatory Innovation program (UBFTRI) is a professional continuing education course and a three-credit elective that contributes to students' degree requirements. It provides the foundational knowledge needed to work with digital asset businesses (DABs) and fintech, and to understand The Bahamas' digital asset regulatory framework. Upon successful completion of the course, which includes a capstone project, attendees earn a certificate which can be used to demonstrate to the Commission that the individual possesses the requisite education and knowledge to engage in digital asset activities in The Bahamas.

In December 2025, the UBFRTI graduated the second cohort of 25 industry professionals, a 100 percent completion rate. The next cohort of the program is scheduled for June 2026.

Ongoing Policy Development

Digital Asset Policy Statement (Updates)

With the repeal and replacement of the Digital Assets and Registered Exchanges Act, the Commission continued to update to its digital asset policy statement (DAPS), "The Bahamas' Approach to Digital Asset Regulation." The DAPS, once finalized, is intended to:

- Describe the Commission's philosophy regarding the regulation of DABs;
- Explain the Commission's considerations in developing the digital asset regulatory framework, including examining the risks and threats associated with digital asset activities and the respective measures to mitigate those risks and threats;
- Provide clarity on significant updates to the digital asset regime;
- Clarify the registration and supervision process for DABs; and
- Outline the Commission's future legal and regulatory considerations for the digital asset sector.

Money Lenders Research

The Commission completed the analysis of its Money Lenders Survey disseminated to firms licensed under the Financial and Corporate Service Providers Act 2020 (FCSPA). The survey aimed to gather data that should assist the Commission in its regulatory efforts to oversee this subsector of its FCSPA licensees. The results of this survey will be collated and will complement ongoing research that benchmarks international jurisdictions' standards as it relates to consumer protection in the non-bank money lending market.

Decentralized Autonomous Organizations

The Commission continued to conduct research on the functions, features, benefits, limitations, and the legal landscape and implications of Decentralized Autonomous Organizations (DAOs). In 2025, the research expanded to include the benchmarking of international regulatory frameworks for DAOs, which informed considerations regarding The Bahamas' approach to DAO regulation. The Bahamas' Decentralised Autonomous Organizations Act came into effect on 26 March 2026.

Project Management and International Relations

Affiliations and Memberships

The Commission maintains membership in various international, regional and local organizations to stay abreast of regulatory and standards developments, and rising risks and threats, among other things. Some of these memberships also allow the Commission to represent stakeholder concerns and regulatory considerations specific to the jurisdiction at international fora.

International Organization of Securities Commissions (IOSCO)

The International Organization of Securities Commissions (IOSCO) is the global standard setter for securities and capital markets regulation. The Commission has been an ordinary member of IOSCO since September 1996 and became a signatory to Appendix A of its Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (MMoU) on 27 December 2012.

The Commission became an early adopter and signatory to Appendix A of the Enhanced Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (EMMoU) on 21 November 2018. The EMMoU was established "to keep pace with technological, societal and market developments; to bolster deterrence; and to ensure that IOSCO continues to meet its objectives."

The IOSCO Board is the governing and standard setting body of IOSCO and comprises 35 securities regulators. The Commission's executive director is currently a Board member. The Commission is a member of six IOSCO committees and a number of groups:

Assessment Committee (AC): Assesses implementation of IOSCO Principles and Standards across IOSCO membership.

Growth and Emerging Markets Committee (GEMC): Seeks to promote the development and efficiency of emerging securities and futures markets.

Inter-American Regional Committee (IARC): Discusses regional issues to contribute a regional perspective to Board debates and policy work. The Commission's executive director served three terms (2020-2026) as Vice Chair of IARC.

Committee on Regulation of Market Intermediaries (Committee 3): Seeks to promote investor protection and market efficiency through its recommendations on issues relating to market intermediaries.

Committee on Enforcement and the Exchange of Information (Committee 4): Aims to help prevent and detect the breaches of securities laws and regulations in global financial markets and seeks to implement global enforcement cooperation under the IOSCO MMoU.

Committee on Retail Investors (Committee 8): Conducts IOSCO's policy work on retail investor education and financial literacy and advises the IOSCO Board on emerging retail investor protection matters.

MMoU Monitoring Group: Consists of all MMoU signatories and is tasked with monitoring the operation of the IOSCO MMoU.

MMoU Monitoring Group Steering Committee: Serves to review problematic issues identified through use of the MMoU and make recommendations to the Monitoring Group as to how these should be addressed.

MMoU Screening Group: Reviews MMoU applications to establish if applicants meet the requirements for becoming signatories to the MMoU.

Fintech Task Force: Develops, oversees, and implements IOSCO's regulatory agenda with respect to fintech and crypto-assets.

Fintech Task Force Steering Group: Sets the strategic direction of the Fintech Task Force and actively oversees the direction of IOSCO's work in relation to crypto.

IOSCO Diversity Network: Operates as a forum for the exchange of ideas and experiences to promote diversity and the benefits of diversity among regulatory member organizations.

Global Financial Innovation Network (GFIN)

The Global Financial Network (GFIN), launched in 2019, is an international network of financial services regulators and related organizations committed to supporting financial innovation. GFIN aims to create a framework for cooperation between financial services regulators on innovation topics and sharing of experiences and approaches. It also seeks to provide efficient ways for innovative firms to interact with regulators and navigate between countries. The Commission attained membership in 2020.

Caribbean Group of Securities Regulators (CGSR)

The Caribbean Group of Securities Regulators (CGSR), formed in 2002, aims to facilitate information sharing and collaboration between Caribbean securities regulators to enhance regional securities supervision.

Group of Financial Services Regulators (GFSR)

The Group of Financial Service Regulators (GFSR) comprises domestic financial services regulators: the Central Bank of The Bahamas, the Compliance Commission of The Bahamas, the Financial Intelligence Unit, The Gaming Board of The Bahamas, the Insurance Commission of The Bahamas, and the Securities Commission of The Bahamas. The group serves as a medium for information sharing between its members and international financial services regulators. Members use this forum to discuss unique and shared regulatory challenges.

International Forum for Investor Education (IFIE) Americas Chapter, Caribbean Working Group (CWG)

The International Forum for Investor Education (IFIE), formed in 2005, aims to unite and engage global organizations across sectors to help improve financial capability and investor education. The IFIE Americas Chapter, formed in 2011, works on priority issues and needs of the Americas region, benefitting from the resources, programing and experience of the IFIE global network of partners and other global-regional chapters. The Securities Commission of The Bahamas is a founding member of the IFIE Americas Chapter Caribbean Working Group (CWG), whose focus is developing programs on financial capability and investor education within the Caribbean context.

Table 4: Membership meetings attended during 2025

Meetings/Date	Place	Theme/Topic
International Organization of Securities Commissions (IOSCO)		
Annual Meeting of IOSCO 12-14 May	Doha, Qatar	Discussions on market developments, retail investor protection and technology, and sessions on sustainability disclosures, implementation of crypto assets frameworks and how to navigate private finance.
Assessment Committee (AC) 31 March 26 June 23 September	 Virtual Madrid, Spain Frankfurt, Germany	
C4 (Committee on Enforcement and the Exchange of Information) and Screening Group 25-26 March 10-11 June	 Tokyo, Japan Seoul, South Korea	
Fintech Task Force Steering Group 7 April 2 July	 Virtual Virtual	

Meetings/Date	Place	Theme/Topic
Inter-American Regional Committee (IARC)		
26 March	Virtual	Discussions on market developments and regulatory initiatives, financial innovation and sustainable finance.
12 May	Doha, Qatar	Updates on IOSCO's work, and discussions on retail investor online safety, the 2025 Risk Outlook, MMoU compliance related work and thematic discussion on public markets and private finance. Meeting chaired by Vice-chair, Christina Rolle, Executive Director of the Securities Commission of The Bahamas.
2 October	Buenos Aires, Argentina	Updates on IOSCO priorities, and discussions on the implementation of crypto assets frameworks, supervisory approaches, and updates on market developments and regulatory initiatives in the region.
Growth and Emerging Markets Committee (GEMC)		
12 May	Doha, Qatar	Discussions on capacity building and implementation monitoring, market and regulatory developments and financial inclusion.

Investor Education

Objectives and Priorities

Financially literate investors with access to reliable investment information are better positioned to grow their wealth while protecting themselves from fraud, scams and other misconduct. This core principle underpins the Commission's approach to its mandate to promote investor education. During the year, the Commission continued to advance its investor education objectives to strengthen public understanding of the risks and benefits of investing, promote financial resilience, and support informed participation in the capital markets and non-bank financial services sectors. Key priorities for the period included increasing public awareness of the Commission's regulatory role, positioning the Commission as a trusted and accessible source of financial information, and equipping individuals with the knowledge and tools to make sound financial decisions and protect themselves from fraud and scams. Efforts were dedicated to increasing the Commission's presence through focused campaigns, educational content, and community outreach initiatives.

'Watch Ya Money' Multimedia Campaign

Investment fraud in The Bahamas continues to evolve, with scammers employing increasingly sophisticated methods to deceive the public. Addressing this persistent threat remains central to the Commission's investor and consumer education mission.

Building on the momentum of the campaign's first phase, launched in late 2024, the Commission implemented the second phase of its "Watch Ya Money!" campaign in 2025. The campaign utilized an expanded multimedia approach, with messaging distributed across the Commission's social media platforms, Google Display advertising, print media, TikTok, television, and radio. This integrated multimedia strategy was designed to help the public identify, avoid and protect themselves from investment fraud and scams.

The eight-week fraud awareness campaign concluded on 6 February 2025 and generated significant public engagement and reach. Campaign analytics indicated that social media and Google Display advertisements contributed approximately 47.7 percent of website traffic during the campaign period. Between 9 December and 6 February 2025, the Securities Commission's website recorded 36,515 sessions and attracted 22,484. Social media advertising proved to be the strongest awareness-building platform, reaching 3.7 million individuals.

To further amplify the campaign's message and reach, supplementary media appearances continued through April 2025.

Educational Programming and Community Engagement

High School Financial Literacy Initiative

To promote financial literacy, the Commission continued our outreach efforts at CC Sweeting Senior High School and RM Bailey Senior High School, while also extending our initiative into the Family Islands, beginning with Abaco. The sessions introduced students to foundational financial literacy concepts including budgeting, saving, risk and reward, diversification as well as fraud and scams. Through engagements at CC Sweeting Senior High School, RM Bailey Senior High School, Patrick J Bethel High School, and Sherlin C Bootle Secondary School, the Commission's volunteer teams reached more than 600 students.

Andrea Archer Institute

The Commission's collaboration with the Andrea Archer Institute (formerly PACE) entered its third consecutive year in 2025, reflecting a continued commitment to supporting the Institute's mission to address the unique needs of teen mothers facing challenges in completing their education. During the year, the Commission sponsored a financial literacy training session for the Institute's teachers and staff, delivered as part of their scheduled staff development program. This "train-the-trainer" initiative recognizes that equipping educators with sound financial knowledge is a meaningful step toward building their confidence and capacity to engage with students about good financial behaviour, fostering long-term financial independence and stability.

Harness All Possibilities Bahamas (HAP)

Beyond its own outreach, the Commission was proud to collaborate with HAP Bahamas for the 2025 Blockchain Business School – Hackathon for Good. Commission volunteers led student sessions covering core financial literacy concepts, including budgeting, saving, risk and reward, diversification, and fraud and scams awareness.

Central Bank Financial Literacy Seminar and Expo

In support of broader national financial literacy efforts, representatives of the Commission participated in the Central Bank of The Bahamas' 2025 Financial Literacy Seminar and Expo, held on 4 April 2025 at the Baha Mar Convention Center. The event brought together students, educators, financial institutions, and regulators to promote financial literacy, financial inclusion, and responsible financial decision-making among young people. Discussions focused on the importance of budgeting, saving, investments, digital payments, and financial resilience, while underscoring the role of regulators in maintaining a safe, stable, and accessible financial system.

World Investor Week 2025

IOSCO's World Investor Week 2025 provided the Commission with a valuable platform to deepen public engagement around investor education and financial literacy through a range of targeted digital initiatives. IOSCO's key themes for the 2025 celebration included Technology and Digital Finance, Artificial Intelligence (AI) and Fraud & Scam Prevention with complementary themes of Crypto Assets and the Basics of Investing. The Commission celebrated the 9th iteration along with securities regulators from IOSCO members around the globe 6-12 October 2025.

National Recognition and Government Support

Prime Minister Philip Davis, KC declared October, "Investor Education Month" in the Commonwealth of The Bahamas with an official proclamation that recognized the important role that financial literacy and investor education plays in empowering the public to make sound financial decisions, while also highlighting the Commission's role in regulating the financial services sector. The proclamation received widespread coverage across local media outlets and across the Commission's digital platforms.

Take 5 SCB Video Series

The Commission released the second set of educational videos in the "Take 5 with the SCB" series to empower investors with essential knowledge and tools needed to navigate the financial markets safely and effectively. The first video addressed Tips to Spot Fraud and Scams, featuring Ilsha McPhee, Senior Officer in the Office of Legal Counsel. The second video, Am I Ready To? Be An Investor, featured Jerryse Rolle, Manager in Internal Audit.

'Scam Proof Me 242' Social Media Campaign

Financial scams increasingly target younger demographics through digital platforms, equipping the next generation with tools to avoid becoming victims has never been more critical. To address this, the Commission launched the "Scam Proof Me 242" social media challenge, designed to empower young Bahamians to identify fraud and scams and protect themselves. Participants were invited to create a 30- to 60-second video demonstrating how they spot scams, avoid fraud, and safeguard themselves online—turning the public into active advocates for financial safety rather than passive recipients of information. The challenge generated strong engagement, with three standout submissions selected as winners for their creativity and effectiveness in delivering the anti-fraud message.

1st place | AM Production
https://www.facebook.com/reel/4110392842555856

2nd place | Riel Brennen
https://www.facebook.com/reel/1458295325467099

3rdplace | Ken Pratt
https://www.facebook.com/reel/2143603322836830

'AI or A Lie?'

The introduction of artificial intelligence has made it increasingly difficult for young adults beginning their financial journey to distinguish between what is real and what is a scam. This presents a critical opportunity for education.

In response, the Commission launched "AI or A Lie?", an engaging public awareness campaign featuring candid interviews with college students whose scam-spotting skills were put to the test in real time. Participants were challenged to identify fake investment advertisements, phishing attempts, and romance scams, shedding light on how convincing modern fraud can be, while reinforcing the importance of vigilance in an AI-driven digital landscape. The interviews are accessible by scanning the QR codes below:

https://www.facebook.com/reel/1591247358917904

https://www.facebook.com/reel/1455858492372224

https://www.facebook.com/reel/1406487701080103

Media Outreach

To amplify the week's theme, the Commission conducted a comprehensive social media campaign across its digital channels, delivering key World Investor Week messaging and investor education resources to targeted audiences. The social media campaign placed particular emphasis on fraud and scams prevention, crypto assets, and digital finance and technology.

To further raise awareness of World Investor Week 2025 and the Commission's activities, representatives of the Commission appeared on a number of local radio shows:

The AC Morning Show – Stewart Miller, Manager, Investor Education and Communications and LaDashia Johnson-Burrows, Deputy Manager, Investor Education and Communications

Unfiltered with Mo & Drew – Stewart Miller, Manager, Investor Education and Communications and Gladstone Brown, Deputy Manager, Enforcement

Morning Blend with Dwight Strachan – Stewart Miller, Manager, Investor Education and Communications and Vernal Smith, Senior Investigations Officer, Enforcement

Immediate Response with Spence Finlayson – Gawaine Ward, Senior Manager, Enforcement, and Krishner Higgins, Deputy Manager, Enforcement

Z-Live Off the Record with Zhivargo Laing – Benson Russell, Assistant Manager, Enforcement, Vernal Smith, Senior Investigations Officer, Enforcement and Steve Bonamy of the Enforcement Department

Collectively, the Commission's World Investor Week activities reflected a deliberate and multi-faceted approach to public engagement that prioritizes meeting target audiences where they are. As the financial landscape continues to evolve, the Commission remains committed to ensuring every resident has access to information and resources needed to make informed financial decisions.

Communications

The Commission leverages its communications function to provide transparency, build trust locally and internationally, protect investors, and ensure registrants and licensees have access to clear information about their legal and regulatory responsibilities. This is done through publications including the annual report, priorities and policy statements, as well as guidelines/guidance notes, media releases, investor alerts, public notices and warnings, reports, research and policy papers and published articles in industry journals. Additionally, Commission representatives participate in events and make presentations throughout the year.

MARCH 2025	**University of The Bahamas Business Week 2025** Executive Director Christina Rolle participated in a panel discussion on the Bahamian economy and the prospects for growth. **3 March, University of The Bahamas**
APRIL 2025	**Royal Bahama Police Force Commissioner Courtesy Call** Shanta E Knowles, Commissioner of Police, paid a courtesy call to the Commission. Discussions with Executive Director Christina Rolle highlighted the importance of a strong relationship between the two agencies. **15 April, Poinciana House Complex**

MAY 2025

Bahamas Global Wealth Summit 2025
Executive Director Christina Rolle provided her perspective on the financial landscape as well as immediate priorities for the jurisdiction.
2 May, Baha Mar Convention Center

Institute of Internal Auditors Bahamas
Manager in Internal Audit Jerryse Rolle participated in a panel discussion with representatives of the Central Bank and the Insurance Commission on the topic "Elevating Assurance: Navigating Risk, Regulation, & Resilience in a Transforming Bahamas".
22 May, Baha Mar Convention Center

The Bahamas Business and Investment Forum 2025
Executive Director Christina Rolle discussed topics including investment opportunities in the blue/orange economies, real estate, digital innovation, and sustainable development.
29 May, New York City

Criminal Penalties of the Financial and Corporate Service Providers Act 2020 Seminar
Senior Manager of Enforcement Gawaine Ward delivered a presentation on the "Criminal Penalties of the Financial and Corporate Service Providers Act 2020". The audience consisted of 28 members of the Financial Crimes and Cyber Crimes Units of the Royal Bahamas Police Force, and members of the Department of Public Prosecutions.
30 May, Poinciana House Complex

JULY 2025

Prestel & Partner Family Office Forum London 2025
Executive Director Christina Rolle participated in a panel discussion titled, "In A World of Transformation: What Can A Family Office Do?" focused on best practices in governance and investment strategies.
3 July, London

SEPTEMBER 2025

Grand Bahama Chamber of Commerce Presentation
Chairman K Neville Adderley delivered a presentation covering subjects including the Commission's 30th anniversary, its objectives, and efforts to modernize and innovate.
30 September, Grand Bahama

OCTOBER 2025

Greenwich Economic Forum 2025 Bahamas Luncheon Roundtable
Senior Manager of Supervision Magan Knowles participated in a panel discussion regarding the Investment Funds Act and the Digital Assets and Registered Exchanges Act.
8 October, New York City

DC Fintech Week 2025
Executive Director Christina Rolle participated in a panel discussion on meme-driven markets and regulatory responses. The conversation included topics such as maintaining market integrity in the era of viral trading, finding the right balance between fostering innovation and ensuring investor protection, and addressing the challenges of real-time compliance.
13 October, Washington, DC

NOVEMBER 2025

Visionary Funding Gateways – Part 2
Chairman K Neville Adderley delivered a presentation on crowd funding, as legislated in the Business Capital Rules 2021, and the potential benefits to small- and medium-size enterprises in Grand Bahama.
1 November, Grand Bahama

Hong Kong FinTech Week 2025
Executive Director Christina Rolle participated in a fireside chat to discuss the Commission's experience with FTX and the DARE Act. The segment was sponsored by The Bahamas' Ministry of Economic Affairs.
5 November, Hong Kong

BICA Accountants' Week 2025
Senior Manager of Supervision Magan Knowles presented on the Commission's Regulatory Updates and industry developments, and opportunities that are shaping the future of financial services in The Bahamas.
13 November, Baha Mar Convention Center

Industry Briefings

MARCH 2025

International Priorities and Initiatives 2025
This briefing focused on international priorities, including the Common Reporting Standard and the CFATF's 5th Round of Mutual Evaluation.
27 March, Baha Mar Convention Center

DECEMBER 2025

AML Industry Briefing
The briefing focused on the 2026 CFATF Mutual Evaluation concerning AML/CFT/CPF.
4 December, Baha Mar Convention Center

Media Appearances

In 2025, the Commission continued efforts to increase awareness of its role and responsibilities. Staff appeared on live interactive radio shows and focused on campaigns designed to promote investor education, including awareness of potentially fraudulent activities. See **Investor Education**, Media Outreach, page 28.

Human Resources

At 31 December 2025, the Commission employed a total of **104** employees, consisting of **101** full-time employees and **3** contract employees. The retention rate for the Commission in 2025 was 90 percent. The average age of the staff was 42, with a female to male ratio of 3:1. The average length of service was 7 years with 9 percent of the team at the senior manager and above level.

During the year, the Commission engaged **15** new hires: **3** in Supervision, **2** in Examinations, **3** in Administration, **1** in Enforcement, **1** in the Office of the Financial Controller and **5** in the Office of the Executive Director. During the last quarter of the year, the Commission's Board approved the establishment of a Risk Analytics Department as well as a Remediation Unit within the Examinations Department. Both units were successfully filled through internal appointments, with the selection of unit heads from within the organization reflecting the Commission's commitment to building and strengthening its internal talent.

On 1 July 2025, Stephen Thompson retired after four years of exemplary and dedicated service. Mr Thompson served as Deputy Manager in the Office of Legal Counsel from 1 April 2021 to 10 October 2023 when he was seconded to the Office of the Attorney General until retirement.

Figure 1: Human Resources statistics as at 31 December 2025

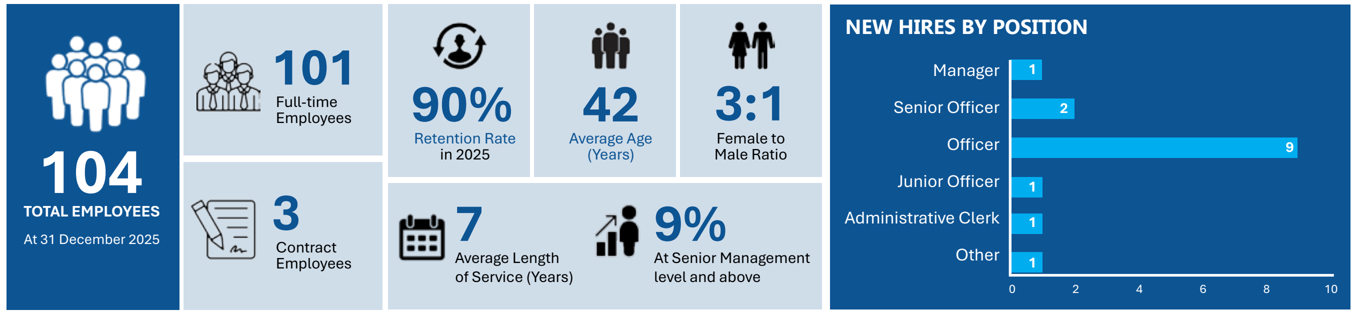


Figure 2: Number of employees by department

Figure 3: Number of employees by position as at 31 December 2025

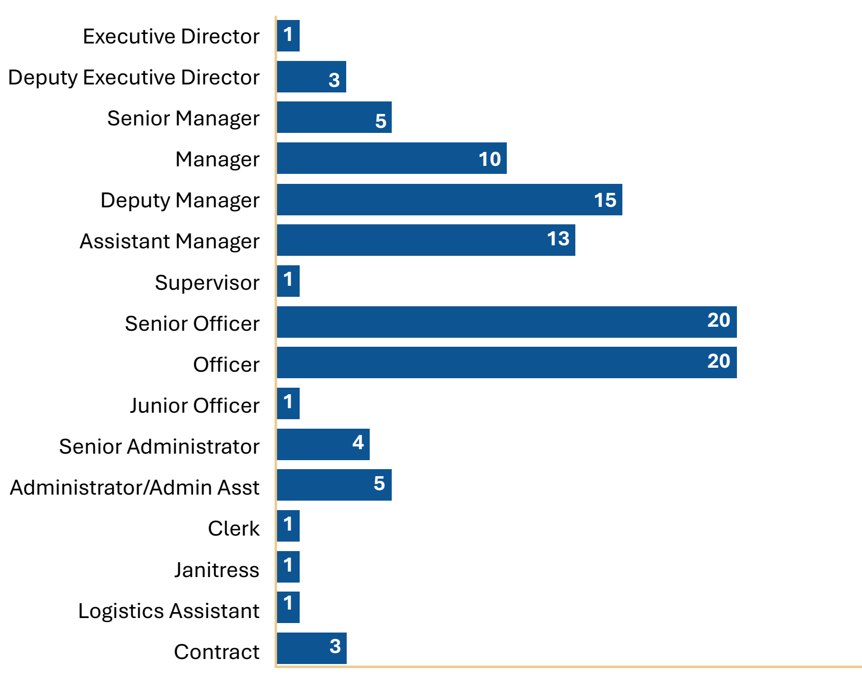
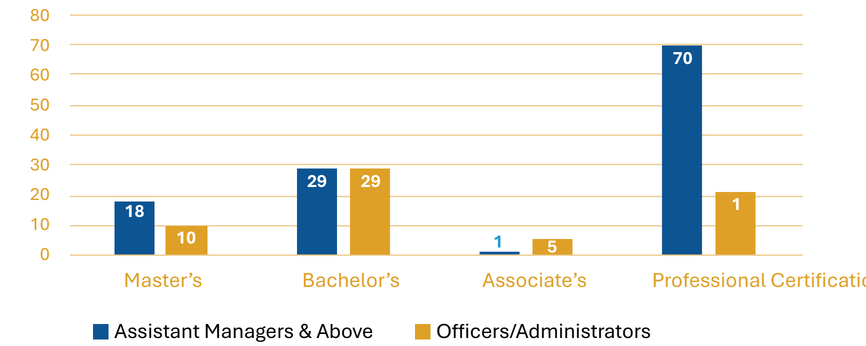


Figure 4: Qualifications of Commission employees across positions as at 31 December 2025



Training & Development

At the core of the Commission's human resources success is a deliberate investment in building talent to strengthen the organization's capacity. The Commission is committed to developing industry leading experts and creating opportunities for employees to grow and excel in their professional careers. This focus is critical to supporting the effective execution of the Commission's mandate and evolving regulatory priorities. During 2025, **17** employees received promotions, reflecting the Commission's commitment to fostering employee growth through strategic advancements and by facilitating movement within the organization. Our goal is to ensure that employees are placed in roles that align with their skills and aspirations, enabling both organizational effectiveness and success.

A total of **14** employees attended the Securities Industry Institute SII 2025 hosted by SIFMA (Securities Industry and Financial Markets Associates) and Wharton School at the University of Pennsylvania in Philadelphia. This program, conducted over three consecutive years, is the premier executive development program for the securities industry. The Commission provided financial support and study leave to an employee pursuing a master's degree in data science for economics from the University of Liverpool. A number of employees completed certification programs in Media Lab Cryptocurrency, Crypto-Asset Reporting Framework and other industry-related and leadership courses. Notably, one employee successfully attained the Certified Public Accountant (CPA) designation, marking a significant professional achievement and contributing to the Commission's overall capacity.

Table 5: Training and Capacity Building Events attended in 2025

Training	Location	Staff Attended
2025 Securities Industry Institute, The Wharton School and SIFMA	Philadelphia, Pennsylvania, USA	14
The Institute of Internal Auditors-2025 GAM	Orlando, Florida, USA	1
IARC Online Fraud & Engagement with Internet Service Providers Workshop	Dublin, Ireland	1
31st Annual International Institute for Securities Market Growth and Development, US SEC	Washington, DC, USA	6
9th Annual IOSCO/PIFS-Harvard Law School Global Certificate Program for Regulators of Securities Markets Phase I	Madrid, Spain	8
CFATF Assessor's 5th Round Training	Trinidad and Tobago	1
Technical Workshop on Crypto assets & Money Laundering Risks	Port of Spain, Trinidad	1
9th Annual IOSCO/PIFS-Harvard Law School Global Certificate Program for Regulators of Securities Markets Phase II	Cambridge, Massachusetts, USA	5

Table 6: IOSCO, OECD and CFATF meetings attended in 2025

Meetings	Location	Staff Attended
C4/SG Meeting	Tokyo, Japan	2
OECD CARF Working Group Meeting	Paris, France	1
Securities Commission of The Bahamas Visit to Dubai Financial Services Authority (DFSA)	Dubai, UAE	4
50th Annual Meeting of IOSCO	Doha, Qatar	5
CFAT 60th Plenary and Working Group Meetings	Trinidad and Tobago	4
C4/SG Meeting	Seoul, South Korea	2
IOSCO C8 Meeting	Buenos Aires, Argentina	1
IOSCO Assessment Committee (AC) Meeting	Madrid, Spain	2
10th CARF Meeting	Paris, France	1
IOSCO Assessment Committee (AC) Meeting	Frankfurt, Germany	2
IARC Plenary Meeting	Buenos Aires, Argentina	4
IOSCO C4/SG Meetings	Athens, Greece	2
IOSCO Board Pre-Meetings	Madrid, Spain	2
21st AEOI Peer Review Group Meeting	Bridgetown, Barbados	3
CFATF 61st Plenary and Working Group Meetings	Bridgetown, Barbados	2

Table 7: Conferences attended in 2025

Conferences	Location	Staff Attended
The Assembly Hollywood 2025	Hollywood, Florida, USA	2
EA Ignite Spring 2025	Louisville, Kentucky, USA	1
Consensus Toronto 2025	Toronto, Canada	13
Bahamas Business & Investment Forum	New York, New York, USA	3
AICPA and CIMA Engage 25	Las Vegas, Nevada, USA	1
The Evolving Role of Digital Assets in the Global Financial System	Cambridge, Massachusetts, USA	2
SHRM Annual Conference & Expo 2025	San Diego, California, USA	2
Bahamas Financial Services Board (BFSB) Global Wealth Tour	London, England	1
ACAMS The Assembly Las Vegas	Las Vegas, Nevada, USA	2
Greenwich Economic Forum	Greenwich, Connecticut, USA	2
AICPA Conference & Finance Awards	London, England	1
DC Fintech Week	Washington, DC, USA	2
ARMA InfoCon 2025	Phoenix, Arizona, USA	2
Bahamas Asia Landfall	Hong Kong, China	2

Compensation and Benefits

In support of its talent attraction and retention strategy, the Commission participated in the Association of International Banks and Trust Companies (AIBT) Compensation Survey for 2025. The survey provided information on compensation practices and trends among local financial industry employers, enabling the Commission to assess the competitiveness of our compensation package.

Employee Engagement

During 2025, four quarterly staff meetings were held to provide updates on Commission operations and to facilitate open dialogue, allowing employees to raise questions and give feedback.

The Commission continues to celebrate the achievements and contributions of employees. Notable highlights include the recognition of Long Service Employees, Employee of the Quarter and Employee of the Year awards. A total of 7 employees were honoured with awards for 5, 10, 15, and 25 years of service.

Long Service Awards

Years of Service	Number of Employees
5	1
10	3
15	2
25	1

Long Service Awards by Position

Position	Number of Employees
Senior Officer	2
Senior Administrator	1
Assistant Manager	1
Deputy Manager	3

Benefits

On 30 September 2025, a benefits informational session was conducted covering key employee benefits. Representatives from CFAL discussed the pension plan and retirement planning. CG Atlantic representatives discussed the medical plan.

Health and Wellness

During 2025, the Commission maintained a strong partnership with insurance provider CG Atlantic to manage health plan cost while helping employees improve their health. Through Zest Wellness—an engaging health program—a series of webinars, ongoing challenges, and other activities provided valuable tools to help employees make informed lifestyle choices while encouraging and incentivizing healthier living.

The Commission also offered an Employee Assistance Program (EAP), which provided confidential counselling services. This benefit supported employees in navigating both personal and professional challenges. Designed to promote overall wellbeing and resilience, the program was available at no cost to employees.

Other initiatives included a presentation on housing options; a banking session on financial health and real estate purchases; and a session on healing after loss, strengthening resilience and fostering a growth mindset across the organization.

Flu Shot Clinic

To promote the health of our team, the Commission facilitated onsite flu shots on 24 November 2025.

Blood Drive

On 25 November 2025, the Commission, in partnership with the Public Hospitals Authority (PHA), hosted an in-house blood drive in support of community health and life saving efforts.

Corporate, Social, Responsibility

The Commission has been active in supporting the broader community through corporate social responsibility by contributing to causes that make a meaningful impact. Sponsored organizations in 2025 included The Bahamas AIDS Foundation, the Sir Victor Sassoon Heart Foundation, the Bahamas Humane Society, the Bahamas Red Cross, the Kingdor National Parkinson's Foundation, the Bahamas National Trust, Paradise Plates/ Hands for Hunger, Andrea Archer Institute (formerly PACE Bahamas), Elbow Reef Classic Fishing Tournament/ Elbow Reef Lighthouse Society, the Bahamas District of Pilot International, Zonta Club of Nassau and the Cancer Society of The Bahamas.

Student Engagement

In the summer of 2025, 16 high school and college students were employed by the Commission. This opportunity provided meaningful work experiences that complemented students' academic pursuits, fostered professional development, educated them on the financial services industry, and cultivated talent for future career opportunities.

Administration

Compliance and Regulatory Interface (CoRI)

A major component of Project Butterfly, the Commission's digitization project, is the relaunch and continued enhancements to the Compliance and Regulatory Interface (CoRI) portal. The portal was relaunched on 31 January 2024. At year-end 2025, 91 percent of the Commission's licensees and registrants had onboarded to the new portal. Existing licensees and registrants have access to their regulatory profile and the ability to submit new applications and filings via the portal. New applicants are required to access the portal to submit applications to the Commission.

Additional developments that took place during 2025 included the roll out of the Annual Information Update Form in January, facilitating the submission of this annual obligation through the portal. The investment funds section within CoRI was also launched, allowing fund administrators access to details about funds under their administration through the portal, and providing access for applications for new investment funds and the ability for fund administrators to register investment funds under their administration.

Business Continuity Plan

The Commission's Business Continuity Plan (BCP) continued to be developed and refined throughout 2025 and remains an active and evolving initiative. During the year, the BCP was formally tested on two occasions to assess its effectiveness and identify areas for improvement.

Overall, the testing process enabled the team to reflect on lessons learned, strengthen the BCP, and enhance preparedness for potential disruptions. These activities significantly improved the organization's resilience and its ability to respond effectively in the event of a disaster.

Information Technology

Project Butterfly

Throughout 2025, the digital transformation project initiated in 2022, served as the backbone of numerous information technology enhancements within the Commission. Designed to increase efficiency and strengthen collaboration across departments, the initiative also enhances transparency, promotes synergies and supports timely responses and reporting.

During 2025, focus areas of the project were the Compliance and Regulatory Interface (CoRI) Portal, QuestionPro, KnowBe4 and the Data Warehouse.

Compliance and Regulatory Interface (CoRI) Portal

Throughout the year, improvements were made to the accessibility and user-friendliness of CoRI, which helped staff, licensees and registrants in developing competency with the platform. These foundational developments laid the groundwork for expansion within the application for future technological advancements.

QuestionPro

An increasing number of the Commission's staff began using the survey application QuestionPro to design and conduct surveys. The Commission has leveraged the platform's functionality for data collection and analysis of survey results, improving reporting and data sharing across the Commission.

KnowBe4

To strengthen cybersecurity awareness across the organization, the Commission engaged the KnowBe4 training platform to keep staff informed of emerging threats and mitigation strategies. The platform supports the Commission's efforts to cultivate a culture of awareness, vigilance and sound cybersecurity practices among staff.

Data Warehouse

Currently, much of the Commission's data is stored in separate silos. The development of a data warehouse will consolidate this data to support more accurate reporting for both internal and external use. This initiative is expected to enhance efficiency across departments. In November 2025, the Commission began working with a technology partner to conduct a readiness gap analysis of the current environment and to develop a roadmap for successful implementation, with the project expected to be completed in 2026.

Internal Audit

The Internal Audit Department (IAD) is a part of the third line of defence within the Commission's risk management structure. The department provides support to the Audit Committee of the Board and management regarding internal controls and risk management. The Head of IAD reports independently to the Audit Committee and administratively to the Executive Director. IAD monitors and responds to potential operational risks. During the year, the annual corporate risk assessment of the departments in the purview of IAD was conducted. Risk factors considered during the assessment included the ability to meet strategic objectives and systemic risk. The annual IAD assessment informs on the next year's audit plans regarding the specific areas and business processes for evaluation.

Social Committee

The Commission's Social Committee organizes and promotes social activities with the aim to foster health awareness and enhance positive relationships in the work environment. The 2025 Social Committee members were Alicia Butler (President), Drelexia Bootle, Shari Seymour, Jaime Gardiner and Kyle Thompson.

SCB Gets Fit

The SCB Gets Fit Annual Fun Run & Walk, held on 31 March, commemorating 30 years of service by the Commission.

Following a month-long teams competition centered on healthy eating and physical activity, the Fun Run & Walk served as the culminating event for the initiative. Activities included warm-up sessions led by a fitness instructor, health screenings, informational health pamphlets, on-duty nurses, and a variety of fun and entertainment for participants.

Lupus Awareness Month

During May, the Commission observed Lupus Awareness Month to honour the memory of our late colleague, Jonique Webb. We admired her courageous spirit as she fought against the complications of this chronic disease. Every Friday was dedicated as "POP (Put on Purple) Day" the colour for Lupus Awareness. The staff demonstrated support for POP Day by making donations for the Lupus 242 Association.

Back-to-School Jamboree

On 16 August 2026, the Social Committee hosted its fourth annual Back-to-School Jamboree, welcoming more than 300 students from surrounding communities. This initiative has continued to grow. After a fun-filled day for kids and their parents, school supplies, school bags, and food vouchers were distributed

Cancer Awareness Month

The Commission observed Breast Cancer Awareness during the Month of October. Every Friday was wear "Pink and Denim" with a small donation in honour of our fallen colleague Vivienne Dean. The staff's generosity along with the Commission's support allowed for contributions to the Cancer Society of The Bahamas and Peggy's Snack Pantry. The Pantry, which provides snacks for residents of the Ranfurly Homes for Children was started by Vivienne and her daughter Christina.

'Thanks Giving' Food Drive

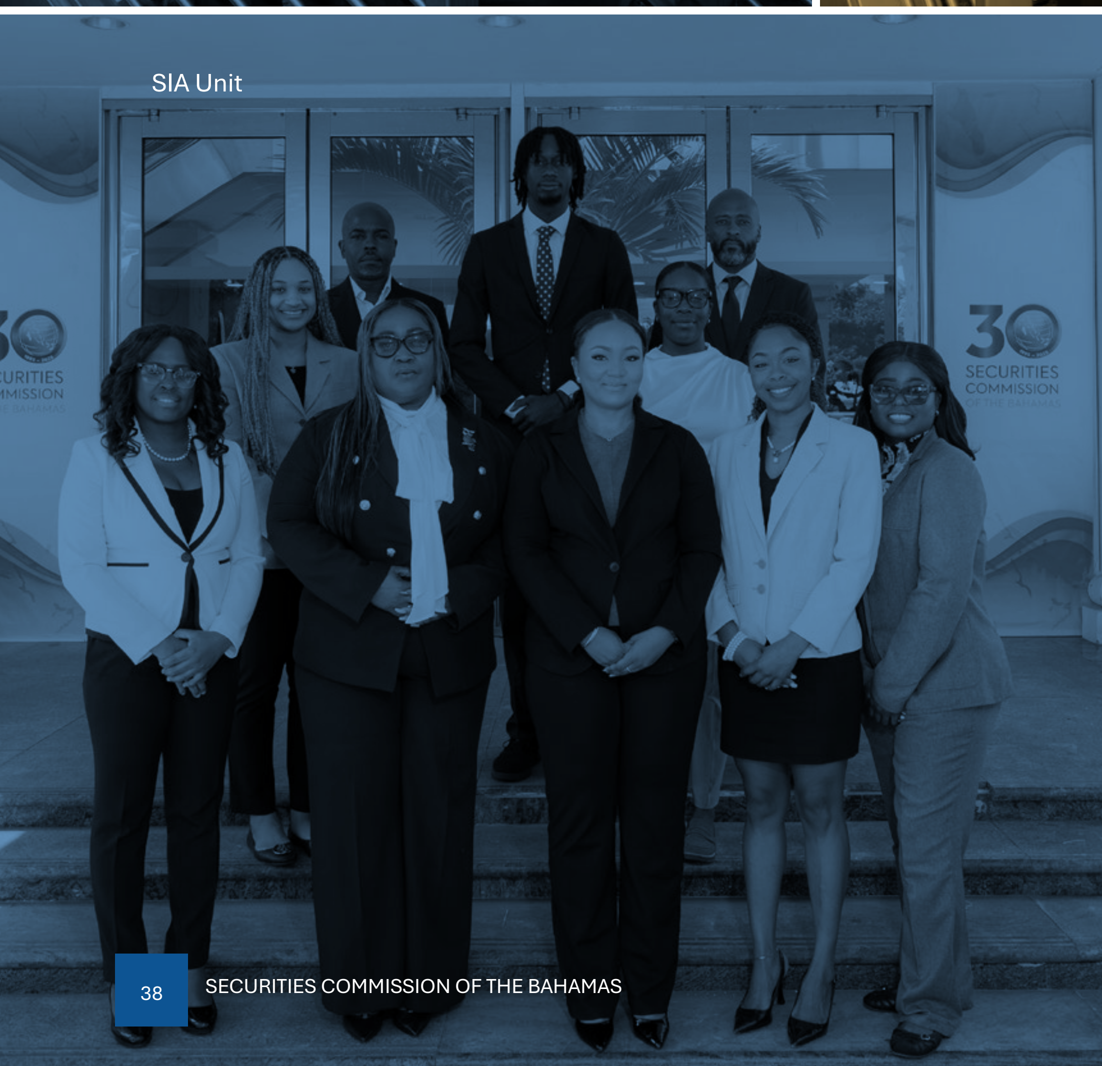
Under the theme "Sharing The Feast", the Commission held its annual "Thanks Giving" Food Drive and Competition on 23 November 2025. This remains one of the most exciting and highly anticipated competitions among the SCB teams. The staff donated food items which were used to prepared care packages, containing breakfast, lunch, and dinner items.

SCB was able to support four locations of the Social Services Department, Bishop Lawrence Rolle's Feeding Program, and Pastor C B Moss and his give back initiatives.

The talent, teamwork, and outreach efforts invested in the "Thanks Giving" initiative continue to make it one of the most impactful activities of the year.

Enforcement Department

FCSPA Unit



SIA Unit

Remediation Unit

DARE Unit

Risk Analytics Department

IFA Unit

SUPERVISION, EXAMINATIONS, RISK ANALYTICS, AND ENFORCEMENT

Examinations Department

Supervision Department

Capital Markets Overview

The Bahamas International Securities Exchange (BISX) continued to serve as a crucial element in the Bahamian capital markets as the only registered securities exchange. As at 31 December 2025, the market comprised of 29 primary market listings (2024: 29) which included 20 ordinary shares with a market capitalization of $6.86 billion (2024: $6.58 billion), 4 preference shares with a market capitalization of $60 million and 3 Bahamas Government Stock (BGS). Additionally, the BGS and listed corporate bonds amounted to a face value of $347 million, and 232 Bahamas Registered Stock (BRS) amounted to a face value of $4.474 billion.

The volume of shares traded on BISX in 2025 was 6.116 million (valued at $61.623 million) in contrast to 2024 when the volume of shares traded was 16.146 million (valued at $119.354 million). Additionally, as at 31 December 2025 the BISX All-share index closed at 3,109.59 compared to 3,008.22 in 2024, which represented a 3.37% increase.

Licensing, Registration and Examinations

Securities Industry Act (SIA) 2024

The Securities Industries Act (SIA) 2024 was promulgated on 29 July 2024. The Act updated the regulatory regime of The Bahamas' securities industry.

Firms

In 2025, the Commission approved **5** new firms under the Securities Industry Act (SIA) and **9** firms surrendered their licenses. As at 31 December 2025, there were **161** registered securities firms in the industry, which represents a net decrease of **4** firms when compared to **165** firms at 31 December 2024.

Table 8: Firms registered under the SIA

	Registered Firms as at 31 December	Approved Firms	Surrenders Completed	Registered Firms as at 31 December
Category	**2024**	**2025**	**2025**	**2025**
Dealing as principal or agent	4	0	0	4
Dealing as agent only	10	1	0	11
Arranging deals in capital markets instruments only	0	0	0	0
Managing capital markets instruments only	13	0	1	12
Advising on capital markets instruments only	5	1	1	5
Dealing as agent only and Arranging deals in capital markets instruments	11	0	0	11
Dealing as agent only and Advising on capital markets instruments	1	0	0	1
Arranging deals in capital markets instruments and Managing capital markets instruments	1	0	0	1
Arranging deals in capital markets instruments and Advising on capital markets instruments	2	1	0	3
Managing capital markets instruments and Advising on capital markets instruments	41	1	1	41

Table 8: (continued)

	Registered Firms as at 31 December	Approved Firms	Surrenders Completed	Registered Firms as at 31 December
Category	**2024**	**2025**	**2025**	**2025**
Dealing as principal or agent and Advising on capital markets instruments*	1	0	1	0
Dealing as principal or agent, Arranging deals in capital markets instruments*	13	0	0	13
Dealing as principal or agent, Managing securities* and Advising on capital markets*	4	0	0	4
Dealing as principal or agent, Arranging deals in capital markets instruments and Advising on capital markets instruments	2	0	0	2
Dealing as principal or agent, Arranging deals in capital markets instruments and Managing capital markets instruments	3	0	1	2
Arranging deals in capital markets instruments, Managing capital markets instruments and Advising on capital markets instruments	3	0	1	2
Dealing as principal or agent, Arranging deals in capital markets instruments, Managing capital markets instruments and Advising on capital markets instruments	21	0	3	18
Dealing as agent only, Arranging deals in capital markets instruments, Managing capital markets instruments and Advising on capital markets instruments	27	1	0	28
Clearing facilities	1	0	0	1
Marketplaces	2	0	0	2
Total	**165**	**5**	**9**	**161**

Market breakdown by activity

The SIA provides five categories of registrable activities for firms.

Table 9: Firms by registrable activities

Category	As at 31 December 2025
Dealing as principal or agent	43
Dealing as agent only	51
Arranging deals in capital markets instruments	80
Managing capital markets instruments	108
Advising on capital markets instruments	104

Penalties
Penalties assessed in 2025 against SIA firms totalled **$52,800** for late filing of financial statements and/or late payment of annual fees.

Individuals
In 2025, **32** individuals were approved under the SIA. Of the individuals recorded as registered at the end of 2024, a total of **18** individual registrations were surrendered or not renewed. As at 31 December 2025, there were **380** registered individuals under the SIA.

Table 10: Categories of individual registration under the SIA

Category	Individuals Approved 2025	Registered Individuals as at 31 December 2025
CEO	9	50
Compliance officer	12	86
Representative – Trading	3	43
Representative – Discretionary management	0	8
Representative – Advising	2	45
CEO and Representative – Trading	0	6
CEO and Representative – Discretionary management	0	15
CEO and Representative – Advising	0	4
Representative – Trading and Discretionary management	2	5
Representative – Trading and Advising	0	20
Representative – Discretionary management and Advising	3	27
CEO, Representative – Trading and Advising	0	5
CEO, Representative – Discretionary management and Advising	1	33
CEO, Representative – Trading and Discretionary management	0	4
Representative – Trading, Discretionary management and Advising	0	21
CEO, Representative – Trading, Discretionary management and Advising	0	8
Total	**32**	**380***

*The figures for registered individuals include approvals and surrenders from previous years that had not been reported.

Breakdown by activity
The SIA provides three categories of registrable activities for individuals. A single individual may be registered for a combination of these activities.

Table 11: Individuals by registrable activities

Category	As at 31 December 2025
Trading Representative	112
Discretionary Management Representative	121
Advising Representative	163

Private Placements
In 2025, the Commission approved **4** private placements for a total value of **$242,040,000**.

Examinations

Firms
During 2025, **34** onsite examinations of firms registered to conduct capital markets business were conducted. Of these, there were **2** For Cause and **32** Routine. No Joint examinations of licensees were conducted with the Central Bank of The Bahamas.

Table 12: Onsite examinations by category of registration

Regulated capital markets activity	
Arranging, managing, advising	1
Dealing and arranging deals	3
Dealing, arranging, managing	1
Dealing, managing and advising	1
Dealing, managing, advising and arranging	19
Managing & advising	8
Managing only	1
Total	**34**

Investment Funds Act (IFA) 2019

Investment Funds
The Commission licenses investment funds established in The Bahamas that invest in a wide range of underlying assets, including private equity, equities, fixed income instruments, real estate, exchange-traded funds, derivatives, commodities, venture capital, art, cryptocurrency, as well as fund-of-funds and feeder fund structures.

In 2025, a total of **23** investment funds were approved and licensed. Of these, **5** funds were licensed directly by the Commission, while **18** funds were licensed by Unrestricted Investment Fund Administrators (UIFAs) and subsequently filed with the Commission.

During 2025, **44** investment funds were either liquidated or surrendered their licences, **2** funds changed their investment fund category, and **1** fund became dormant. As a result, there were **517** investment funds licensed at year-end 2025.

Table 13: Investment Funds licensed under the IFA

Category	Funds as at 31 December 2024	Approved Funds 2025	Surrendered/ Liquidated Funds 2025	Net Change of Category	Net Change Prior Period Adjustment*	Dormant	Other	Funds as at December 2025
Professional Funds	171	10	6	-2	2	0	0	175
SMART Fund Model 001	16	0	2	0	-2	0	0	12
SMART Fund Model 002	92	1	5	0	1	0	-1	88
SMART Fund Model 003	2	0	0	0	0	0	0	2
SMART Fund Model 004	77	6	9	1	-4	0	-4	67

Table 13: (continued)

Category	Funds as at 31 December 2024	Approved Funds 2025	Surrendered/ Liquidated Funds 2025	Net Change of Category	Net Change Prior Period Adjustment*	Dormant	Other	Funds as at December 2025
SMART Fund Model 005	3	0	1	0	0	0	0	2
SMART Fund Model 006	2	0	0	0	0	0	0	2
SMART Fund Model 007	156	5	21	1	2	-1	0	142
Standard Funds	26	1	0	0	0	0	0	27
Total	**545**	**23**	**44**	**0**	**-1**	**-1**	**-5**	**517**

*Prior Period Adjustment refers to any change related to an existing fund that occurred in a previous period but was not identified or recorded until the current period.

Table 14: Investment Funds licensed by UIFAs and the Commission during 2025

Regulated capital markets activity	Licensed and filed by UIFAs	Licensed by SCB
Professional Fund	8	2
SMART Fund Model 001	0	0
SMART Fund Model 002	1	0
SMART Fund Model 003	0	0
SMART Fund Model 004	6	0
SMART Fund Model 005	0	0
SMART Fund Model 006	0	0
SMART Fund Model 007	3	2
Standard Funds	Not Applicable	1
Total	**18**	**5**

Table 15: Registered Investment Fund Managers

Investment Fund Managers as at 31 December 2025	
Registered Investment Fund Managers	210
Investment Funds with a Registered Investment Fund Manager	399

Investment Fund Administrators

In 2025, **3** investment fund administrators surrendered their licenses, while **1** investment fund administrator license was approved. As at 31 December 2025, there were **41** licensed investment fund administrators.

Table 16: Licensed Investment Fund Administrators

Category	Licensed Administrators as at 31 December 2024	Surrendered	Approved Administrator	Licensed Administrators as at 31 December 2025
Unrestricted Investment Fund Administrator	30	2	1	29
Restricted Investment Fund Administrator	13	1	0	12
Total	**43**	**3**	**1**	**41**

During 2025, **6** foreign fund administrators acted as administrators for **9** Bahamas-based funds. As at 31 December 2025, **13** licensed investment funds were self-administered pursuant to section **8** of the Investment Funds Act 2019.

Assets Under Administration

Total assets under administration for Bahamas-based funds as at 31 December 2025 were **$45.57 billion** (preliminary), compared to $46.75 billion as at 31 December 2024, representing a decrease of 2.52%.

Examinations

Investment Fund Administrators

During 2025, **14** examinations of licensees or registrants under the IFA were conducted, **1** For Cause and **13** Routine.

Table 17: Examinations of Investment Fund Administrators

Administrator license	
Restricted	4
Unrestricted	10
Total	**14**

Investment Funds

During 2025, **17** examinations of investment funds under the IFA were conducted.

Table 18: Examinations of Investment Funds

Category	
Professional Fund	8
SFM 003	1
SFM 007	8
Total	**17**

Financial and Corporate Service Providers Act (FCSPA) 2020

During 2025, **17** financial and corporate service providers (FCSPs) were newly licensed and **30** surrendered their licenses which brought the total number of licensed financial and corporate service providers to **293**. Of this total, there were **217** licensees in the category of Corporate Service Provider, **44** licensees in the category of Financial Service Provider, and **32** licensees in the category of both Financial and Corporate Service Provider.

Table 19: Registered Financial and Corporate Service Providers by entity type

Category	FCSPs as at 31 December 2024	Approved 2025	Surrenders 2025	FCSPs as at 31 December 2025
Companies	220	7	18	209
Partnerships	18	1	1	18
Individuals/Unincorporated Bodies	68	9	11	66
Total	**306**	**17**	**30**	**293**

Table 20: Registered Financial and Corporate Service Providers by activity

Category	As at December 2025
Corporate Services only	217
Financial Services only	44
Financial and Corporate Services	32
Total	**293**

Examinations

During 2025, **27** examinations of financial and corporate service providers were conducted: **24** by the Commission (**1** For Cause and **23** Routine), and **3** by the Commission's appointed authorized agents.

Table 21: Registered Financial and Corporate Service Providers by activity

License	Agent	SCB	Total
Corporate Services only	1	17	18
Financial Services only	2	4	6
Financial and Corporate Services	-	3	3
Total	**3**	**24**	**27**

Digital Assets and Registered Exchanges Act (DARE) 2024

The promulgation of the Digital Assets and Registered Exchanges Act (DARE) 2024 resulted in changes to the supervisory framework for digital assets and registered exchanges.

During the year, the DARE Unit continued to engage in pre-applicant meetings relating to registration under the DARE Act. As at 31 December 2025, there were **32** firms registered under the DARE Act as compared to **25** firms at 31 December 2024.

Table 22: Digital Assets and Registered Exchanges registrants

Category	As at 31 December 2024	As at 31 December 2025
Digital Asset Business[1] (excluding exchanges)	19	29
Digital Asset Business & Digital Asset Exchange	5	9
Digital Asset Exchange (only)	1	0
Total	**25**	**32**

[1] Four digital asset businesses are joint licensees: one registered firm and three financial and corporate service providers.

Examinations

In 2025, the Commission engaged a Big Four external consultant to conduct a deep dive review of DARE licensees. The review covered all areas including governance and ML/TF/PF risk. As a result, no onsite examinations by internal SCB teams were carried out.

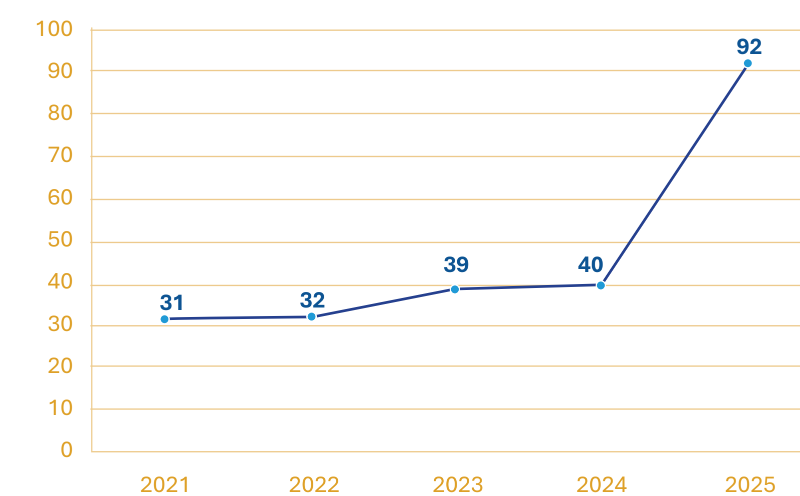
Examinations

During 2025, the Commission conducted **92** examinations (**27** financial and corporate service providers, **14** investment fund administrators, **17** investment funds and **34** capital markets industry firms).

From 2021 to 2025, the Commission completed an average of **47** onsite examinations annually (**31** in 2021, **32** in 2022, **39** in 2023, **40** in 2024 and **92** in 2025).

In 2025 the Commission performed targeted examinations with a thematic focus on AML/CFT/CPF and CRS compliance. These thematic examinations were shorter and allowed for the completion of more onsite examinations giving the Commission a wider coverage over its licensee population. Onsite examinations for 2021-2024 covered a wider range of areas such as business conduct, registration matters, trading operations, AML/CFT/CPF, CRS and financial and capital operations.

Figure 5: Routine examinations conducted by the Commission 2021-2025



Examination of Investment Funds

During 2025, the Commission undertook a more focused (thematic) approach to its onsite examination review of investment funds, with specific focus on both AML/CFT/CPF and Common Reporting Standards (CRS) compliance. The approach encompassed, inter alia, selecting the largest investment funds (by Net Asset Value [NAV]) administered by each investment fund administrator (IFA) and reviewing the investors in those funds (at the natural person level for the purpose of both AML/CFT/CPF vetting and proper CRS classification), the correctness of the reporting classification for CRS (i.e. reportable vs. non-reportable) as assessed by the investment fund administrator (or an agent of the IFA acting on their behalf via an outsourcing arrangement), the administrators' policies, procedures and processes with respect to CRS reporting and a review of samples of the CRS reports submitted to the Competent Authority by IFAs via the AEOI portal for in-scope, reportable investors for the purpose of assessing the correctness and timeliness of such filings/submissions.

Additional considerations undertaken by the onsite examination teams conducting the onsite exams included, but were not limited to, conducting interviews and making enquiries of senior management with respect to AML/CFT/CPF and CRS internal controls within the examined organizations, gaining an understanding of the organization's approach, policies, procedures and processes with respect to AML/CFT/CPF and CRS, and testing the organizations' compliance with both internal policies and procedures and Bahamian legislation, inclusive of the AEOI Act and the OECD CRS rules and requirements.

In furtherance of its enhanced onsite and desk-based supervisory targeted, thematic approach to the CRS reviews being conducted, the Commission also engaged expert CRS consultants to conduct CRS specific training for the Commission's supervisory personnel, and to accompany onsite examination team members in the field as expert support personnel on such examinations. Likewise, the Commission's desk-based supervisory personnel also received expert CRS support for the conduct of the desk-based exams performed in 2025.

Department Staffing

During 2025 the Examinations Department had two hires (one manager and one officer) and one resignation (deputy manager) for a net addition of one.

The Commission endeavours to add 14 additional human resources to the Examinations Department to grow the department from its existing complement of 16 to 30. The resources are primarily for examiners but will also include 2-3 resources for the Remediation Unit. The Commission's increase for onsite supervisory headcount is necessary to improve the ratio of onsite supervisory personnel to its licensee population. With this increase in examiners, the Commission expects to conduct more onsite regulatory examinations of its licensees and help them to improve their regulatory compliance rates with respect to AML/CFT/CPF and CRS specifically, and all regulatory compliance generally.

Issuance of financial penalties for AML/CFT/CPF Breaches

The Commission issued financial penalties for AML/CFT/CPF breaches under the schedule contained within the Financial Transactions Reporting Act 2018. Penalties are designed to be proportionate, dissuasive, and effective in accordance with the Financial Action Task Force (FATF) methodology, specifically Immediate Outcomes 3 and 4.

During 2025, **29** penalty letters with fine assessments totalling **$142,650** were issued for AML/CFT/CPF breaches.

Remediation

The Remediation Unit of the Examinations Department, established in October 2025, commenced oversight of examination findings arising from routine and thematic onsite examinations. The thematic examinations focused on AML/CFT/CPF and Common Reporting Standard (CRS) compliance. The unit is also responsible for facilitating the Commission's enhanced remediation monitoring procedures, including a risk-based tracking methodology and escalation framework designed to support timely remediation, consistent supervisory treatment, and proportionate escalation where deficiencies remain unaddressed.

Since its inception, the unit has focused on implementing structured remediation protocols, engaging registrants and licensees on corrective action plans to regulatory compliance and establishing mechanisms to monitor deficiencies through to closure. The unit intends to drive corrective action, promote regulatory compliance, and enhance accountability among supervised entities.

The Remediation Unit analysed **13** examination reports; **8** examination reports containing multiple findings were remediated and closed after satisfactory evidence of corrective action was provided.

The results demonstrate positive levels of responsiveness and regulatory compliance by supervised entities, as 60 percent of examination deficiencies were successfully remediated across the **13** reports.

Table 23: Remediation cases analysed October to December 2025

Examinations Type	Cases Reviewed	Cases Resolved	Cases Outstanding/In Progress
Routine Examinations	2	1	1
CRS Thematic Examinations	8	4	4
AML Thematic Examinations	2	2	0
Combined AML/CFT/CPF & CRS Thematic	1	1	0
Total	**13**	**8**	**5**

Risk Analytics

The Commission uses a risk-based approach to supervision. The approach requires identification of systemic risk, assessment of the activities of licensees and registrants that exhibit the most risk; and focusing resources on the mitigation or elimination of high-risk concerns.

A formal risk-based supervisory framework was implemented in 2018 and operationalized across the Commission's technical departments: Supervision, Examinations, Enforcement, and, as of 1 December 2025, Risk Analytics. The Commission's delegation as a Designated Supervisory Authority with certain functions and powers of the Competent Authority with respect to compliance and enforcement of the Automatic Exchange of Financial Account Information Act and Common Reporting Standard facilitated the expansion of the risk analytics function to a departmental level. Risk Analytics was previously a unit of the Examinations Department. As a result of departmental restructuring in 2022 the risk analytics function was subsumed into the Supervision department.

Risk Analytics will monitor operational effectiveness and conduct risk assessments of licensees and registrants. Priority will be assessment and review of AML/CFT/CPF risks, assessing risk related to Common Reporting Standard compliance, and identification and assessment of emerging risks using data collected through onsite and offsite supervision, surveys, and meetings with industry and stakeholders.

Enforcement

There were **20** enforcement matters brought forward from 2024. During 2025, **2** litigation matters, **2** administrative matters, and **2** criminal matters were opened. As at 31 December 2025, **26** enforcement matters remained open, of which **15** involved litigation, **5** were administrative, and **6** were criminal matters. Administrative matters primarily concerned non-compliance with filing obligations and client files/records requirements under the Securities Industry Act and Regulations. Criminal matters are transferred to another agency, such as the Royal Bahamas Police Force, for investigation and resolution; however, the Commission maintains the matters on its records until they are resolved.

Table 24: Enforcement matters as at 31 December 2025

Category	Matters brought forward from previous years	New matters opened	Matters closed	Matters that remained open as at 31 December 2025
Litigation	13	2	0	15
Administrative	3	2	0	5
Criminal	4	2	0	6
Total	**20**	**6**	**0**	**26**

Enforcement Actions

Enforcement actions undertaken by the Commission included administrative sanctions, remedial and corrective directives, enhanced supervisory oversight, and liquidation where warranted, reflecting a proportionate, risk-based regulatory approach aimed at protecting market integrity and maintaining compliance with legislative requirements.

Table 25: Enforcement actions during 2025

Year	Administrative Penalties	Value of Administrative Penalties	Registration or License Revocations	Suspension of Registration or License (Winding Up)	Public Notices/ Warnings
2025	29	$142,650	1	2*	5

*The two winding up matters were court-supervised liquidations of Sea Capital, an SIA registrant and Holdun Innovation and Technology Fund Ltd, a licensee under the IFA.

Between 2021 and 2025, enforcement action was taken in **9** cases involving regulatory breaches. Of these, **5** related to the Financial and Corporate Service Providers Act (FSCPA), **2** to the Securities Industry Act (SIA), **1** to the Investment Funds Act (IFA), and **1** to the Digital Assets and Registered Exchanges Act (DARE).

The breaches primarily involved operating without proper authorization, failures in AML/CFT controls, non-compliance with statutory reporting obligations, and governance and compliance deficiencies. One case resulted in liquidation due to criminal proceedings in another jurisdiction.

The Commission also monitors financial schemes as defined in the FCSPA. In 2025, **2** financial schemes were brought to the Commission's attention.

Judgements

The Courts issued two rulings on matters where the Commission was a party. The applicants in both matters were Yuri Starostenko and Irina Tsareva-Starostenko. The court ruled in favour of the Commission in both matters.

The judgements are available on the Commission's website at:
https://scb.gov.bs/enforcement/judgements/.

Table 26: Enforcement, notices and warnings notices issued by the Commission during 2025

Notice	Issue Date	Description*
Creators Alliance Creators Alliance Limited Creators Alliance Caribbean	4 April 2025	Public Notice No 2 warned that Creators Alliance (Creators Alliance Limited/Creators Alliance Caribbean) was not authorized or regulated by the Commission.
Incomemax Incomemax Financial Enrollment Investment	10 April 2025	Public Notice No 3 warned that Incomemax/Incomemax Financial Enrollment Investment was not authorized or regulated by the Commission.
Unregulated Entities/Websites With Fake Certificates	19 May 2025	Public Notice No 4 warned that neither HILLTOPFXTRADE, KCKENUKUL Investment Limited, NEUTRAALBIZ, PRIMEJAXTRADE, nor TRANSEND GLOBAL TRADING were authorized or regulated by the Commission.
FMFW Ltd	22 July 2025	Public Notice No 5 warned that FMFW LTD (FMFW) was not authorized or regulated by the Commission.
Huber Management Divisions	10 November 2025	Public Notice No 6 warned that HUBER MANAGEMENT DIVISIONS (HMD) was not authorized or regulated by the Commission.

*The full text of public notices and investor alerts issued by the Commission can be found at https://scb.gov.bs/investor-centre/investor-alerts-and-notices/ .

IOSCO MMoU Requests

As an IOSCO MMoU A Signatory, the Commission is able to request and receive certain non-public information from other IOSCO MMoU A Signatories related to ongoing securities investigations. The department did not send any information requests during 2025.

Office of Legal Counsel

LEGISLATION

Legislative Updates

Enacted Legislation

Securities Industry Regulations 2025

To complement the overhaul of the Securities Industry Act 2024 (SIA 2024), the Commission developed the Securities Industry Regulations 2025. The draft Securities Industry Regulations 2025 was issued on the 30 December 2025 for a 60-day public consultation ending on 2 March 2026. The Regulations seek to modernize and consolidate the existing Securities Regulations to align terminology, processes, and cross-references with the SIA 2024 and related legislation. They strengthen conduct of business, governance, internal control, risk management, business continuity, and outsourcing requirements in line with IOSCO standards and international best practices, while enhancing registration, notification, and ongoing obligations for registered firms, representatives, marketplaces, and other regulated persons, including obligations relating to new products, changes in activities, and group-level changes.

The Regulations also expand and clarify requirements relating to record-keeping, reporting, client disclosure, client asset protection, reconciliation, short selling, and continuing disclosure obligations for market participants and public issuers. In addition, they streamline and update regulatory processes by facilitating electronic submissions, refining auditor approval mechanics, and updating interim and capital reporting, prospectus, and distribution requirements.

Finally, the Regulations provide transitional arrangements and implementation periods to allow regulated entities adequate time to comply with substantive regulatory changes, while preserving existing capital requirements pending their replacement by rules.

The International Obligations (Economic and Ancillary Measures) Act (IOEAMA)

The International Obligations (Economic and Ancillary Measures) Act (IOEAMA) provides for the application of economic sanctions and the implementation of ancillary and countermeasures as internationally required, as well as operationalizes the international obligations of The Bahamas. In accordance with the requirements of IOEAMA and the Anti-Terrorism Act 2018, the Commission issues notices of United Nations Security Council Resolutions (UNSCRs), relevant annexes, schedules, and amendments thereto, to licensees and registrants for appropriate action. Additionally in accordance with the requirements of IOEAMA, the Commission issues notices of unilateral sanctions imposed by foreign states against a person or another foreign state pursuant to an Order by the Governor General or a Directive from the Attorney General. In 2025, the Group of Financial Service Regulators (GFSR) jointly issued harmonized Targeted Financial Sanctions Reporting Forms and Guidance Notes, enhancing compliance with the United Nations Security Council Resolutions.

The Commission monitors the compliance of licensees and registrants with the requirements of IOEAMA and the Anti-Terrorism Act 2018 through an initial confirmation of compliance, due within 30 days of the issuance of a notice by the Commission, quarterly confirmations of compliance, as well as annual declarations of compliance, filed by licensees and registrants in accordance with the Targeted Financial Sanctions Reporting Forms and Guidance Notes.

In 2025, the Commission disseminated **12** IOEAMA UNSC resolutions to registrants and licensees.

Common Reporting Standard

The Organisation for Economic Co-operation and Development (OECD) is an international body that develops global standards and best practices across a range of policy areas, including tax transparency and the exchange of information for tax purposes. In this regard, the OECD is responsible for the development and oversight of the Common Reporting Standard (CRS) and the Automatic Exchange of Financial Account Information (AEOI) framework, which establishes a common global standard for the collection, reporting, and automatic exchange of financial account information between participating jurisdictions.

The primary objective of the CRS/AEOI framework is to combat offshore tax evasion and enhance tax transparency by ensuring that jurisdictions obtain and exchange accurate and timely information on financial accounts held by non-residents. Compliance with, and effective implementation of, the CRS is assessed through a peer review process conducted by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes. These reviews assess both the legal and regulatory framework underpinning CRS implementation, as well as the effectiveness of its application in practice. The resulting reports evaluate a jurisdiction's adherence to the CRS requirements, identify deficiencies or areas of risk, and include recommendations aimed at strengthening both technical compliance and the overall effectiveness of the AEOI regime.

The Bahamas began its implementation of the CRS AEOI with the enactment of the Automatic Exchange of Financial Account Information Act 2016 and the Automatic Exchange of Financial Account Information Regulations 2017. This legislative framework designates the Minister of Finance or his delegate as the Competent Authority with overall responsibility for the administration and implementation of the CRS AEOI regime.

In 2024, the Automatic Exchange of Financial Account Information (Competent Authority) (Delegation of Functions) Order delegated certain audit and inspection functions of the Competent Authority to the Designated Supervisory Authorities, namely the Securities Commission of The Bahamas, the Central Bank of The Bahamas, the Insurance Commission of The Bahamas, and the Compliance Commission of The Bahamas. In 2025, the Automatic Exchange of Financial Account Information (Delegation) Order revoked and replaced the 2024 Order and expanded the scope of functions delegated to the Designated Supervisory Authorities, enhancing their powers to support enforcement of the Act within their respective regulatory remits. To facilitate the effective operation of the 2025 Order and to ensure clarity and coordination in supervisory responsibilities, the Competent Authority and the Designated Supervisory Authorities entered a multilateral memorandum of understanding (MMoU), which sets out the respective roles, responsibilities, and mechanisms for cooperation between the Competent Authority and each Designated Supervisory Authority.

A Steering Committee of representatives from the Competent Authority and the Designated Supervisory Authorities was established pursuant to the MMoU for the coordination of the work of the Competent Authority and Designated Supervisory Authorities in relation to the supervision, monitoring and enforcement of compliance with the CRS AEOI framework.

As a designated supervisory authority, the Commission participated in the OECD Round 2 CRS Effectiveness Peer Review of The Bahamas in 2025. In preparation for the onsite review, the Commission established systems and policies and procedures to enable the execution of the relevant delegated functions including desk based and onsite supervisory programs, risk assessment requirements and enforcement mechanisms specific to CRS compliance. These foundational frameworks and processes will be developed further in 2026 to ensure the full implementation of the Common Reporting Standard and the accompanying legislation on an ongoing basis.

Caribbean Financial Action Task Force (CFATF) Update

The CFATF is a FATF Style Regional Body (FSRB) comprising states and territories of the Caribbean basin and Central and South America, which have agreed to implement common standards and obligations to address money laundering, financing of terrorism and the financing of the proliferation of weapons of mass destruction. The primary objective of the CFATF is to ensure regional compliance with, and effective implementation of, the FATF 40 Recommendations. This objective is achieved through ongoing Mutual Evaluations and subsequent reports of Member States. The Mutual Evaluation Report summarizes the anti-money laundering, countering the financing of terrorism and countering the financing of the proliferation of weapons (AML/CFT/CPF) regimes in place within a member country. The report also gives an analysis of the country's level of compliance with the FATF 40 Recommendations, the level of effectiveness of the country's AML/CFT/CPF regime (FATF 11 Immediate Outcomes) and includes recommendations on ways the technical aspects of the regime and the effectiveness thereof can be improved.

The Bahamas maintained its rating of compliant or largely complaint with 40 of 40 of the FATF Recommendations throughout 2025.

The Bahamas has been scheduled for the FATF fifth round peer review in 2026. In preparation for the 5th round Mutual Evaluation the Commission has conducted risk assessments for all sectors for which it is responsible ie securities, investment funds, financial and corporate services providers and the digital assets sectors. The Commission also contributed to bespoke terrorism and proliferation of weapons of mass destruction risk assessments, as well as a risk assessment developed for Legal Arrangements and Legal Persons.

In preparation for the mutual evaluation review the Commission conducted a gap analysis to identify deficiencies in its sectors' AML/CFT/CPF regimes. The Commission identified required legislative amendments, as well as operational "'fixes" and took the initial steps in 2025 to begin addressing these identified deficiencies. One of the key matters of deficiency was data capture and statistical reporting necessary to support the issues to be reviewed in the 2026 Mutual Evaluation Report (MER). To assist in this exercise and with the preparation of the Commission's submission for the MER, the Commission retained the accounting firm of KPMG to assist with building the required reports as well as assisting with the preparation and finalization of the Commission's submission to the MER.

The Commission remains an active member of the Identified Risk Framework Steering Committee.

In 2025, the Commission disseminated to registrants and licensees a total of **6** FATF Public Statements on the list of High-Risk Jurisdictions (subject to a call for action) and Jurisdictions Under Increased Monitoring.

International Cooperation

The Commission is an 'A' signatory to IOSCO's Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (MMoU). The Commission is also an A1 signatory to the IOSCO Enhanced Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (EMMoU). Where the Commission receives a request from an international counterpart that is also a signatory to the MMoU or the EMMoU information is exchanged accordingly.

The Commission evaluates every request received to ensure that it meets the information sharing requirements as set out in legislation administered by the Commission and the terms of the MMoU and/or the EMMoU.

Pursuant to Sections 40 and 41 of the Securities Industry Act 2024 (SIA 2024), the Commission is authorized to provide assistance and to exchange information with overseas regulators for administrative, supervisory and enforcement purposes related to securities laws.

In 2025, the Commission dealt with a total of **24** international requests for assistance, consisting of **10** matters brought forward from 2024 and **14** new matters received in 2025.

Table 27: IOSCO MMoU requests received during 2025

Authority	Jurisdiction	Requests Received in 2025
Authorities des Marches Financiers (AMF)	France	3
BAFIN	Germany	1
Financial Conduct Authority	United Kingdom	3
Securities and Futures Commission	Hong Kong	1
Commissione Nazionale Societa La Borsa (CONSOB)	Italy	2
Urzad Komisji Nadzoru Finansowego (UKNF)	Poland	1
United States Securities & Exchange Commission (USSEC)	United States of America	3
Total		**14**

Out of the **24** matters handled in 2025, **13** were closed as at 31 December 2025.

As at 31 December 2025, the Commission had a total of **11** open international requests under the IOSCO MMoU. These comprised **2** matters carried forward from 2024 and **9** requests received by the Commission during 2025.

As at 31 December 2025, the Commission made no requests to Overseas Regulators under the IOSCO MMoU.

Frequently Used Abbreviations and Terms

AC – Audit Committee
ACCA – Association of Chartered Certified Accountants
ADD – Administration Department
AEOI- Automatic Exchange of Financial Account Information
AI – Artificial Intelligence
AIBT- Association of International Banks and Trust Companies
AICPA – American Institute of Certified Public Accountants
AML/CFT/CPF – Anti-money laundering /Countering the Financing of Terrorism/Countering Proliferation Financing
BACO – Bahamas Association of Compliance Officers
BICA – Bahamas Institute of Chartered Accountants
BCP- Bahamas Continuity Plan
BFSB – Bahamas Financial Services Board
BISX – Bahamas International Securities Exchange
BSHRM – Bahamas Society for Human Resources Management
CFA – Chartered Financial Analyst
CFATF – Caribbean Financial Action Task Force
CGSR – Caribbean Group of Securities Regulators
CIMA – Chartered Institute of Management Accountants
Commission, the – Securities Commission of The Bahamas
CoRI – Compliance and Regulatory Interface (portal)
CPA – Certified Public Accountant
CPF – Countering Proliferation Financing
CRS- Common Report Standing
CWG – Caribbean Working Group
DAB – Digital Asset Business
DAO -Decentralized Autonomous Organization
DAPS – Digital Asset Policy Statement
DARE – Digital Assets and Regulated Exchanges Act
EAP- Employee Assistance Program
EMMoU – Enhanced Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information
END – Enforcement Department
ESG – Environmental, Social, and Corporate Governance
EXD – Examinations Department
Ex officio member – A member of the Board by virtue of the office he or she holds
FATF, the – Financial Action Task Force
FAQs – Frequently Asked Questions
FCSP – Financial and Corporate Service Provider
FCSPA – Financial and Corporate Service Providers Act
FSRB – FATF Style Regional Body
GEMC – Growth and Emerging Markets Committee
GFSR – Group of Financial Services Regulators
GFIN – Global Financial Innovation Network
GN – Guidance Notes
HAP – Harness All Possibilities Bahamas
HRC – Human Resource Committee
HRD – Human Resources Department
IAD – Internal Audit Department
IARC – Inter-American Regional Committee
IFA, 2019 – Investment Funds Act, 2019
IFIE – International Forum of Investor Education
IOEAMA – International Obligations (Economic and Ancillary Measures) Act
IOSCO – International Organization of Securities Commissions
ITD – Information Technology Department
MER- Mutual Evaluations Process
MMoU – Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information
NAV- Net Asset Value
OECD – Organisation for Economic Co-operation and Development
OED – Office of the Executive Director
OFC – Office of the Financial Controller
OLC – Office of Legal Counsel
PF- Proliferation Financing
PHA- Public Hospitals Authority
RAD- Risk Analytics Department
SCB – the Securities Commission of The Bahamas
SIA – Security Industry Act
SIFMA- Securities Industry and Financial Markets Associates
SMART Fund – Specific Mandate Alternative Regulatory Test Fund
SMes- Small and Medium Sized Enterprises
SUD – Supervision Department
UBFTRI- University of The Bahamas Fintech and Regulatory Innovation
UIFA – Unrestricted Investment Fund Administrators
UNSC – United Nations Security Council
US SEC – United States Securities and Exchange Commission

30 Years of Integrity, Stability and Innovation

The Securities Commission of The Bahamas' (the Commission) anniversary theme— "30 Years of Integrity, Stability and Innovation" —reflects its enduring legacy and values that have guided its work since inception.

On 30 June 2026, the Commission's regulatory oversight spanned 156 registered firms, 2 marketplaces, and 1 clearing facility under the Securities Industry Act, 41 investment fund administrators, 531 investment funds, 295 financial and corporate service providers, and 35 digital asset businesses and exchanges—figures that speak to the breadth of its responsibility and the trust it has earned. It has grown from one staff member into an organization with over 100 employees.

How did a small jurisdiction build a pacesetting regulatory agency with global recognition and credibility?

The Beginning, 1995-1999

The story began with a single Act and a single employee. The Securities Board Act 1995 brought the Securities Board into existence on 20 June of that year. Under the leadership of its first Chairman, Timothy Baswell Donaldson, and its first Inspector, Jack Smith, a purposeful foundation was laid.

An early and necessary focus was building institutional capacity: hiring staff, building systems, and drafting legislation and rules. By 1996, the staff had grown from one to four, and by the end of 1998, there were a total of 16 employees. In November of 1995, the Mutual Funds Act and Mutual Funds Regulations were enacted. During that same year, the Board relocated to Charlotte House. Importantly, the Board became an ordinary member of the International Organization of Securities Commissions (IOSCO).

The Securities Industry Act (SIA) came into effect in 1999, repealing and replacing the Securities Board Act. Under the legislation, the Board was renamed the Securities Commission of The Bahamas. The new legislation included a robust framework for the regulation of the securities industry and its participants, as well as changes to the structure, among other things.

The SIA 1999 became a cornerstone legislation. With its passage, The Bahamas had a modern law defining a "security". It was also a signal to global markets that The Bahamas would meet global standards.

2000-2018

With the beginning of a new decade in 2000, the Commission celebrated its fifth anniversary and ended the year with a staff of 18.

The Bahamas International Securities Exchange (BISX) was the first local exchange registered by the Commission. It enabled Bahamian companies to raise capital within the country and provided local investors with a regulated and safe space in which to invest. BISX was registered by the Commission on 30 January 2001.

30 SECURITIES COMMISSION OF THE BAHAMAS

In 2003, the Investment Funds Act (IFA) repealed and replaced the Mutual Funds Act. The IFA provided a more contemporary regulatory framework under which investment funds could operate in and from The Bahamas. The IFA also introduced the Specific Mandate Alternative Regulatory Test (SMART) Fund, which quickly became the most popular category of investment funds licensed in The Bahamas. The framework struck a balance: strong investor protections on custody, valuation, and reporting, but operational flexibility for managers on structure and speed to market.

In 2008, the Commission's responsibilities expanded with its appointment as the Inspector of Financial and Corporate Services, with responsibility for the administration of the Financial and Corporate Service Providers Act 2000.

The financial crisis of 2008 tested regulators globally. In The Bahamas, the Commission increased scrutiny of liquidity, custody arrangements, and valuation practices within firms, working closely with other regulators to monitor contagion risk. Due to an already robust framework, funds remained solvent, and The Bahamas avoided the worst failures seen in other jurisdictions.

In 2009, the Commission obtained "B" Signatory status to IOSCO's Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and Exchange of Information (MMoU). The MMoU is the international benchmark for cooperation to combat cross-border securities fraud and misconduct in securities markets.

A new Securities Industry Act was enacted in 2011. The Act represented a major overhaul of the securities laws and expanded and enhanced the Commission's enforcement and other regulatory powers.

The passage of this legislation paved the way for another milestone in 2012, when the Commission attained "A" Signatory status to IOSCO's MMoU, signalling its commitment and capacity to share information with international securities regulators. This preceded the Commission becoming one of the first regulators in the world to sign onto the Enhanced MMoU in 2019—which required strengthened enforcement powers—and provided for enhanced cooperation and information sharing with other regulators.

At the Commission's 20th anniversary in 2015, the staff complement stood at 75, and with myriad and expanding technical expertise, it continued to build international trust. By 2018, the Commission had outgrown its Charlotte House premises, and after playing an instrumental role in purchasing and renovating the premises, moved to its current location, Poinciana House on East Bay Street.

2019-2026

The Investment Funds Act 2019 repealed and replaced the IFA 2003. The legislation revamped the country's investment funds framework, addressed identified gaps, and increased investor protections.

In 2020, the new Financial and Corporate Service Providers Act was passed, replacing a framework that had been in place for two decades. The legislation was among the first in the world to criminalize financial schemes, marking a significant step forward in its efforts to protect the public from scams like Ponzi and pyramid schemes.

Cryptocurrency and digital assets were also moving from "fringe" technology to mainstream finance. While many regulators waited, the Commission chose to lead. The result was the Digital Assets and Registered Exchanges (DARE) Act 2020. The Bahamas became one of the first countries with a comprehensive legal framework for digital assets business.

The result of extensive benchmarking and research, DARE established The Bahamas as a leading jurisdiction for digital assets regulation in the rapidly developing space. The Act provided for the registration of digital token exchanges and the issuance or sale of digital assets, introducing a legal taxonomy that created a regulatory perimeter for the Commission to apply principles-based regulation.

From 2019 to 2021, the Commission continued to launch new rules that advanced the implementation of the SIA. These rules covered corporate governance, takeovers, business capital, and Contract for Differences.

In 2022, FTX—which was one of the world's largest crypto exchanges—collapsed. As FTX DM had Bahamian operations registered under DARE, it served as a stress test for the regime. The Commission was the first regulator in the world to take decisive action to protect customers and creditors of FTX DM. These actions included securing digital assets held by FTX DM. This was possible as a result of the power and authority of the DARE legislation. During the FTX provisional liquidation, the Commission also levied its largest fine to a registrant in the amount

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INTEGRITY, STABILITY, INNOVATION


30
1995 – 2025
SECURITIES
COMMISSION
OF THE BAHAMAS
30 YEARS OF
INTEGRITY,
STABILITY
AND
INNOVATION

1993

The Securities Market Task Force is formed, charged with assessing existing market conditions, identifying regulatory gaps and proposing a comprehensive framework for the securities industry. The Task Force is chaired by Larry Gibson.

1995

The Securities Board Act 1995 comes into effect, establishing the Securities Board. The Board has authority for the licensing of brokers and dealers, the registration of securities and the enforcement of compliance standards.

The Mutual Funds Act, and Mutual Funds Regulations are enacted.

T Baswell Donaldson
Chair 1995-2002

1996

The Securities Board moves into Charlotte House.

The Securities Board becomes an ordinary member of the International Organization of Securities Commissions (IOSCO).

1999

The Securities Industry Act (SIA) 1999 comes into effect, repealing and replacing the Securities Board Act 1995. Under the new legislation, the Securities Board is renamed and continues as the "Securities Commission of The Bahamas". The new legislation provides for the regulation of securities exchanges and the securities industry.

Early Capital Markets Development

2000

The Bahamas International Securities Exchange (BISX) launches its domestic market for the listing and trading of local public companies.

The Securities Industry Regulations 2000 is enacted.

The Commission celebrates its fifth anniversary. The Commission's complement is 18 as of 31 December 2000.

2003

The Investment Funds Act and the Investment Funds Regulations, which repeal and replace the Mutual Funds Act 1995 and the Mutual Funds Regulations 1995, are enacted. The IFA introduces the Specific Mandate Alternative Regulatory Test (SMART) Fund, which becomes the category with the largest number of investment funds licensed in The Bahamas.

2005

The Commission celebrates its 10th anniversary. The Commission operates with a staff of 38 on 31 December 2005.

Expanding Responsibilities and International Recognition

2008

The Commission is appointed Inspector of Financial and Corporate Services, effective 1 January 2008. The Inspector is responsible for the administration of the Financial and Corporate Service Providers Act 2000.

2009

The Commission becomes a "B" signatory to IOSCO's Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and Exchange of Information (MMoU). The MMoU is the international benchmark for cooperation to combat cross-border securities fraud and misconduct in securities markets.

2010

The Commission celebrates its 15th anniversary. The Commission operates with a staff 56 on 31 December 2010.

2011

The Securities Industry Act 2011 is enacted. The Act expands and enhances the Commission's powers.

2012

The Securities Industry Regulations 2012 is enacted, repealing and replacing the Securities Industry Regulations 2000.

The Securities Commission attains "A" Signatory status to IOSCO's Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and Exchange of Information (MMoU).

Tonya Bastian-Galanis
Chair 2012-2017

2015

The Commission celebrates its 20th anniversary. The Commission operates with a staff of 75 on 31 December 2015.

Growing international influence and leadership

2016

The Securities Commission becomes an A1 signatory to IOSCO's Enhanced MMoU (EMMoU). The EMMoU makes additional avenues available to regulators to cooperate to enhance the outcome of investigation and enforcement activity. At the time of signing the Commission became the seventh securities regulator in the world to attain this status.

2018

The Commission relocates to Poinciana House, East Bay Street.

2019

The Investment Funds Act 2019, which repeals and replaces the Investment Funds Act 2003, comes into effect. The legislative framework addresses identified gaps and increases investor protections.

Executive Director Christina Rolle is elected the Vice-chair of the Inter-American Regional Committee of IOSCO. Executive Director Rolle is re-elected for the two consecutive terms resulting in the Securities Commission also having representation on the IOSCO Board from 2020 to the present.

2020

The Securities Industry (Contract for Differences) Rules 2020, which govern the sale, advertisement, and distribution of contracts for differences, comes into effect in May.

The Digital Assets and Registered Exchanges Act (DARE) 2020 is passed, providing for the registration of digital token exchanges, and the issuance or sale of digital assets. DARE establishes The Bahamas as a world-leading jurisdiction for digital assets regulation.

The Financial and Corporate Service Providers Act 2020 is enacted, repealing and replacing the 20-year-old FCSPA 2000. The legislation provides clarity for non-bank financial service providers. The FCSPA criminalizes the promotion of financial schemes like pyramid and Ponzi schemes, among others.

The Commission celebrates its 25th anniversary. The Commission has a staff of 81 on 31 December 2020.

CELEBRATING 25 YEARS 25TH ANNIVERSARY

2021

The Commission introduces the Securities Industry (Business Capital) Rules. The Rules establish a regulatory framework for equity-based crowdfunding.

2022

The Commission launches Project Butterfly, an initiative to automate its supervisory processes, operational efficiency and regulatory effectiveness. As a part of the project, the Compliance and Regulatory Interface (CoRI) platform—which automates various steps in the workflows related to the submission and processing of applications—is launched.

The Carbon Credits Trading Act 2022 is enacted. This Act establishes a regulatory framework for the trading of carbon credits in or from within The Bahamas.

2023

The Commission, in collaboration with the Government of The Bahamas, hosts the D3 Bahamas Web3 and FinTech Conference. Under the theme "Building Trust in a Web3 World", the Conference reinforces the jurisdiction's commitment to digital asset regulatory leadership.

The Commission announces its partnership with the University of The Bahamas, and the Cambridge Centre for Alternative Finance, to offer its proprietary course, the Cambridge FinTech and Regulatory Innovation Program at the University of The Bahamas.

2024

The Securities Industry Act 2024 is enacted. The legislation overhauls the SIA, ensuring its provisions are addressing current and future needs. The Act enhances the Commission's enforcement and supervisory authority and provides a regulatory framework for derivatives.

The Digital Assets and Registered Exchanges Act 2024 is enacted, updating DARE 2020. The Act includes a wider range of digital asset activities, enhanced digital asset exchange requirements, a robust custody regulatory framework, and a comprehensive stablecoin framework.

DARE DIGITAL ASSETS & REGISTERED EXCHANGES ACT

2025

The Securities Commission of The Bahamas celebrates its 30th anniversary. The Commission operates with a staff of 104 on 31 December 2025.

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of $221.5 million; the fine was later subordinated. The subordination enabled the reprioritization of the payment of all customers and other creditors of FTX DM, including any interest due to customers, ahead of the Commission's regulatory claim.

The Commission launched Project Butterfly in 2022 as an initiative to automate and upgrade its supervisory processes, alongside the way it receives, manages, and applies data across its operations. Related to this, a revamped version of the Compliance and Regulatory Interface (CoRI) platform, originally developed in 2020, was launched in 2024. The new CoRI automated various steps in the application, submission, and processing workflow to improve efficiencies for the Commission and ease of business for its constituents.

The Carbon Credits Trading Act, which established a framework for the trading of carbon credits on the secondary market, was also enacted in 2022.

In 2023, the Commission announced a partnership with the University of The Bahamas (UB) and the Cambridge Centre for Alternative Finance to offer a proprietary course, the UB Fintech and Regulatory Innovation program.

In 2024, an updated DARE Act provided for staking, tokenization of real-world assets, and stronger custody requirements. The message was clear: The Bahamas supports innovation, but not at the expense of investor protection. Among its enhancements, the updated Act provided for a wider range of digital asset activities, enhanced digital asset exchange requirements, strengthened the custody regulatory framework, and introduced a comprehensive stablecoin framework.

The same year also saw the update of the Securities Industry Act, overhauling the SIA 2011. The Act enhanced the Commission's enforcement and supervisory authority and provided for the regulation of derivatives.

Over the past three decades, the Commission has been both a regulator and a driver of economic growth and competitiveness, maintaining a reputation for consistent enforcement while promoting ease of doing business. Its standing in the global regulatory community is reflected in its participation across eight IOSCO committees, and multiple task forces, working groups, and work streams. Included in this recognition, was the election of Executive Director Christina Rolle, in her personal capacity, as Chair of the Inter-American Regional Committee and a member of the IOSCO Board.

The Commission has also served as a training ground for Bahamian talent. Many who began their careers as analysts or examiners now lead compliance at global banks, law firms, and crypto companies—a knowledge transfer that stands as a national asset, enhancing careers while keeping critical expertise in-country.

The Decades Ahead

Thirty years is a milestone—but it is also the end of a beginning. The decade ahead will bring no shortage of challenges: artificial intelligence; the tokenization of real-world assets; environmental, social, and governance disclosures; cybersecurity threats and risks yet to emerge.

The Commission's purpose, however, will remain the same: protect investors, ensure fair and efficient markets, reduce systemic risk, and promote investor confidence. Although some of the regulatory tools will evolve or change, the commitment to the values of integrity, stability, and innovation remains.

"30 Years of Integrity, Stability and Innovation" is more than a record of which the Commission is proud. It is a standard to maintain. The Bahamas has demonstrated that a small jurisdiction can meet, surpass, and contribute to global standards.

Chairs

Calvin Knowles	2002-2007
Philip Stubbs	2007-2012
Tonya Bastian-Galanis	2012-2017
Robert Lotmore	2017-2021
Justice K Neville Adderley	2022-present

Inspectors

Jack Smith	1995-1997
Sandra Knowles	1997-1999

Executive Directors

Sandra Knowles (ED)	1997-2002
Hillary Deveaux (Acting ED)	2002-2004
Hillary Deveaux (ED)	2005-2010
Philip Stubbs (Acting ED)	2010-2012
Dave Smith (ED)	2012-2013
Hillary Deveaux (ED)	2013-2015
Christina Rolle (ED)	2015-present

Financial Summary

The audited financial statements that appear on the following pages of this Annual Report represent the financial position of the Securities Commission of The Bahamas (the Commission) as at 31 December 2025 along with the Commission's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards. Comparative figures for the year ended 31 December 2024 are shown.

The Commission's income is mainly generated from fees charged to licensees, registrants and applicants under the Securities Industry Act 2024 (SIA), the Investment Funds Act 2019 (IFA), the Financial and Corporate Services Providers Act 2020 (FCSPA) and the Digital Assets and Registered Exchanges Act 2024 (DARE), as well as funding from the Government of The Bahamas (the Government).

Total income decreased by $7.6 million, or 31.0%, from $24.5 million in 2024 to $16.9 million in 2025. The reduction was primarily driven by the significant decline in other income, which fell by $10.4 million as 2024 included a non-recurring fee earned for acting as trustee in the liquidation of FTX Digital Markets Ltd. Excluding this prior-year one-time item, the Commission's underlying revenue position improved, supported by stronger fee income, higher government subvention, and materially higher interest income.

The Commission experienced continued attrition in the overall number of licensees and registrants in 2025. Notably, however, there was a 28% increase in registrants under DARE from 2024 to 2025. Despite the attrition, fee income increased by $1.8 million, or 16.0%, from $11.3 million in 2024 to $13.1 million in 2025, reflecting the implementation of the new fees rules which became effective on 31 December 2024. The strongest gains were recorded from licensees and registrants under the IFA and SIA, respectively. Government subvention also increased by $0.5 million, or 25.0% from $2.0 million in 2024 to $2.5 million in 2025.

Total expenses increased by 5.2%, from $15.5 million in 2024 to $16.3 million in 2025. The increase was mainly attributable to headcount increases, modest salary, wages and benefits increases totalling approximately $1.0 million, and increased training and conference costs of $0.3 million, as the Commission began to expand its capacity and prepare for international regulatory reviews, including the OECD's CRS peer review and the CFATF Mutual Evaluation. In addition, the Commission increased participation in various committees of IOSCO. These expense increases were partly offset by reductions in professional fees of $1.0 million, from $1.9 million in 2024 to $0.9 million in 2025.

The Commission will continue to focus on planned capacity expansion for CRS activities and ongoing AML/CFT/PF supervision requirements in the short-term. Overall, the 2025 results indicate that the Commission maintained a positive operating position while investing in regulatory capacity, international compliance readiness, and strategic initiatives needed to support its supervisory mandate going forward.

Independent auditors' report

To the Members of Securities Commission of The Bahamas

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Securities Commission of The Bahamas (the Commission) as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Commission's financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Independence

We are independent of the Commission in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

Management is responsible for the other information. The other information comprises the 2025 Annual Report (but does not include the financial statements and our auditors' report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the

date of our auditors' report. However, future events or conditions may cause the Commission to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matter

This report, including the opinion, has been prepared for and only for the Members in accordance with the terms of our engagement letter and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers
Chartered Accountants
Nassau, Bahamas
25 June 2026

Securities Commission of The Bahamas
(Established under the laws of the Commonwealth of The Bahamas)

Statement of Financial Position
As at 31 December 2025
(Expressed in Bahamian dollars)

	2025 $	2024 $
ASSETS		
Cash and cash equivalents	1,764,634	6,721,215
Accounts receivable, net (Note 6)	1,550,337	10,605,703
Prepaid expenses and other assets	385,435	430,084
Investments in debt securities (Note 4)	17,026,733	2,792,150
Right-of-use assets (Note 5)	2,188,476	2,900,678
Property and equipment (Note 8)	536,187	163,648
Computer Software (Note 9)	494,908	706,722
Total assets	**23,946,710**	**24,320,200**
LIABILITIES		
Accounts payable and accrued expenses (Note 14)	1,556,352	2,061,641
Other liabilities	216,168	132,209
Lease liabilities (Note 5)	2,364,547	3,017,918
Contribution due to Poinciana SPV Ltd. (Note 11)	3,500,000	3,500,000
Total liabilities	**7,637,067**	**8,711,768**
NET ASSETS	**16,309,643**	**15,608,432**
REPRESENTED BY:		
Surplus	12,097,317	11,558,643
Revaluation reserve (Note 12)	(77,674)	(240,211)
Reserve fund (Note 12)	4,170,000	4,170,000
Special purpose reserve (Note 12)	120,000	120,000
	16,309,643	**15,608,432**

APPROVED AND AUTHORISED FOR ISSUE BY THE MEMBERS OF THE SECURITIES COMMISSION OF THE BAHAMAS AND SIGNED ON THEIR BEHALF BY:

Deputy Chairman **Director**

25 June 2026
Date

The accompanying notes are an integral part of these financial statements.

Securities Commission of The Bahamas

Statement of Comprehensive Income
For the Year Ended 31 December 2025
(Expressed in Bahamian dollars)

	2025 $	2024 $
INCOME		
Fee income		
Securities industry licensees and registrants	6,031,427	5,155,794
Investment funds	2,289,542	2,151,391
Investment fund administrators and managers	1,324,342	1,043,070
Financial and corporate service providers	2,420,016	2,287,836
Digital assets and registered exchanges	658,978	290,840
Penalties	306,375	303,534
Securities exchange	21,000	16,875
Other	15,625	12,500
Total fee income	13,067,305	11,261,840
Government subvention (Note 10)	2,500,000	2,000,000
Interest income	769,580	302,457
Other income	537,284	10,907,081
Total income	**16,874,169**	**24,471,378**

The accompanying notes are an integral part of these financial statements.

Securities Commission of The Bahamas

Statement of Comprehensive Income
For the Year Ended 31 December 2025
(Expressed in Bahamian dollars)
(Continued)

	2025 $	2024 $
EXPENSES		
Salaries, wages and employee benefits (Note 13)	9,706,832	8,698,510
Rent (Note 5)	440,512	843,127
Depreciation on right-of-use assets (Note 5)	749,273	751,763
Professional fees	860,646	1,886,069
Office & Computer Expenses	1,283,624	1,315,970
Amortization of computer software (Note 9)	235,574	-
Depreciation on property and equipment (Note 8)	111,345	143,651
Training and conferences	1,192,012	888,912
30th Anniversary initiatives	427,426	-
Interest expense on lease liabilities (Note 5)	149,420	186,114
Utilities and property charges	166,654	147,978
Advertising and public relations	15,420	75,424
Repairs and maintenance	90,721	86,150
Membership fees	54,625	52,258
Printing and publications	78,784	33,764
Bank charges	101,600	80,559
Investor education	111,007	129,107
Provision for expected credit losses (Note 6)	543,480	13,119
Licensee liquidation proceedings	3,583	184,875
Miscellaneous	12,957	8,059
Total expenses	**16,335,495**	**15,525,409**
Net income	**538,674**	**8,945,969**
Other comprehensive (loss)/income		
Items that may be reclassified to net income		
Change in fair value of investments in debt securities at fair value through other comprehensive income (FVOCI)	(4,794)	4,464
Expected credit losses on FVOCI investments	167,331	-
Total comprehensive income	**701,211**	**8,950,433**

The accompanying notes are an integral part of these financial statements.

Securities Commission of The Bahamas

Statement of Changes in Net Assets
For the Year Ended 31 December 2025
(Expressed in Bahamian dollars)

	Surplus $	Revaluation Reserve $	Reserve Fund $	Special Purpose Reserve $	Total $
Balance as at 1 January 2024	**2,612,674**	**(244,675)**	**4,170,000**	**120,000**	**6,657,999**
Net income	8,945,969	-	-	-	8,945,969
Other comprehensive income	-	4,464	-	-	4,464
Total comprehensive income	8,945,969	4,464	-	-	8,950,433
Balance as at 31 December 2024	**11,558,643**	**(240,211)**	**4,170,000**	**120,000**	**15,608,432**
Balance as at 1 January 2025	**11,558,643**	**(240,211)**	**4,170,000**	**120,000**	**15,608,432**
Net income	538,674	-	-	-	538,674
Other comprehensive income	-	162,537	-	-	162,537
Total comprehensive income	538,674	162,537	-	-	701,211
Balance as at 31 December 2025	**12,097,317**	**(77,674)**	**4,170,000**	**120,000**	**16,309,643**

The accompanying notes are an integral part of these financial statements.

Securities Commission of The Bahamas

Statement of Cash Flows
For the Year Ended 31 December 2025
(Expressed in Bahamian dollars)

	2025 $	2024 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	538,674	8,945,969
Adjustments for:		
Interest income	(769,580)	(302,457)
Amortization of computer software (Note 9)	235,574	-
Depreciation on property and equipment (Note 8)	111,345	143,651
Depreciation on right-of-use assets (Note 5)	749,273	751,763
Interest expense on lease liabilities (Note 5)	149,420	186,114
Expected credit loss on investments carried at FVOCI	167,331	-
Changes in operating assets and liabilities:		
Decrease/(increase) in accounts receivable, net	9,055,366	(8,832,463)
Decrease/(increase) in prepaid expenses and other assets	44,649	(116,718)
(Decrease)/increase in accounts payable and accrued expenses	(505,289)	557,511
Increase in other liabilities	83,959	127,327
(Decrease) in deferred income	-	(2,500)
Interest received	635,134	302,465
Lease acquisition and maintenance costs	-	(392,572)
Net cash provided by operating activities	**10,495,856**	**1,368,090**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of debt securities	(42,211,499)	-
Redemption/maturity of debt securities	28,106,568	-
Purchase of property and equipment (Note 8)	(483,884)	(47,508)
Software development costs	(23,760)	-
Contribution to Poinciana SPV Ltd	-	(500,000)
Net cash (used in) investing activities	**(14,612,575)**	**(547,508)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid on lease liabilities	(149,420)	(186,114)
Principal paid on lease liabilities	(690,442)	(636,893)
Net cash (used in) financing activities	**(839,862)**	**(823,007)**
Net decrease in cash and cash equivalents	**(4,956,581)**	**(2,425)**
Cash and cash equivalents as at beginning of year	**6,721,215**	**6,723,640**
Cash and cash equivalents as at end of year	**1,764,634**	**6,721,215**

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows
For the Year Ended 31 December 2025
(Expressed in Bahamian dollars)
(Continued)

	2025 $	2024 $
CASH AND CASH EQUIVALENTS:		
Cash on hand and at banks	**1,764,634**	**1,758,240**
Cash equivalents	**-**	**4,962,975**
	1,764,634	**6,721,215**

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements
31 December 2025

1. General Information

Securities Commission of The Bahamas (the Commission) was established in 1995 and operates as a body corporate, under the Securities Industry Act, 2024 (the Act), of the Commonwealth of The Bahamas (The Bahamas). The Act establishes the structure, governance and funding of the Commission; accordingly, the Commission is not deemed to have a parent. The offices of the Commission are located at Poinciana House, East Bay Street, Nassau, Bahamas.

The functions of the Commission are to monitor and regulate the securities industry in The Bahamas, the participants of which include: entities and individuals dealing in securities, arranging deals in securities, managing securities and advising on securities; investment funds; and investment fund administrators. The Commission regulates the industry in accordance with the Act; the Investments Funds (Amendment) Act, 2020; and the related rules and regulations.

In addition, the Commission has responsibility for regulating financial and corporate service providers in accordance with the Financial and Corporate Service Providers Act, 2020, and related regulations. The Commission also regulates digital asset business in accordance with the Digital Assets and Registered Exchanges Act, 2024.

2. Material Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements are prepared in accordance with IFRS Accounting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRIC Interpretations) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The financial statements are prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in accordance with IFRS requires management to exercise judgment in the process of applying the Commission’s accounting policies. It also requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

2. Material Accounting Policies (Continued)

(b) Changes in applicable accounting policies

i) New standards, amendments and interpretations adopted by the Commission

Standards and amendments and interpretations of published standards that became effective for the Commission's financial year beginning on 1 January 2025 were either not relevant or not significant to the Commission's operations and accordingly did not have a material impact on the Commission's accounting policies or financial statements.

ii) New standards and amendments not yet adopted by the Commission

Certain new accounting standards, amendments and interpretations to existing accounting standards that have been published but are not mandatory for the year ended 31 December 2025 have not been early adopted by the Commission. These standards, amendments or interpretations are not expected to have a material impact on the Commission in the current or future reporting periods and on foreseeable future transactions.

Amendments to the Classification and Measurement of Financial Instruments – *Amendments to IFRS 9 and IFRS 7*

In May 2024, the IASB issued targeted amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7. The new amendments will be effective for reporting periods beginning on or after 1 January 2026. These amendments clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted.

These amendments are not expected to have a material impact on the financial statements of the Commission.

2. Material Accounting Policies (Continued)

(b) Changes in applicable accounting policies (continued)

ii) New standards and amendments not adopted by the Commission (continued)

IFRS 18 *Presentation and Disclosure in Financial Statements*

IFRS 18 Presentation and Disclosure in Financial Statements is a new accounting standard that will be effective from 1 January 2027. The new standard introduces new

requirements on the structure of the Statement of Income, required disclosures for management-defined performance measures, as well as enhanced principles on aggregation and disaggregation in general. While IFRS 18 will not change recognition criteria or measurement bases, it will have an impact on presenting information in the financial statements, in particular the income statement and to a lesser extent the cash flow statement. The Commission is currently assessing the impacts the standard will have on its consolidated financial statements. The potential impact is unknown as of 31 December 2025.

These amendments are not expected to have a material impact on the financial statements of the Commission.

(c) Foreign currency translation

The financial statements are presented in Bahamian dollars, which is the Commission's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at year-end exchange rates are recognised in the statement of comprehensive income.

(d) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, term deposits with banks and treasury bills with original contractual maturities of three months or less from the date of acquisition.

(e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2. Material Accounting Policies (Continued)

(e) Financial instruments (continued)

i) Financial assets

Classification

The Commission classifies its financial assets, at initial recognition in the following measurement categories: at amortised cost and at fair value through other comprehensive income (FVOCI). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Commission's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Commission's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets at amortised cost
The Commission measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets through FVOCI
The Commission measures financial assets through FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. Material Accounting Policies (Continued)

(e) Financial instruments (continued)

i) Financial assets (continued)

The Commission reclassifies financial assets when and only when its business model for managing those assets changes.

Recognition and Derecognition

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular-way trades) are recognised on the trade date, which is the date that the Commission commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Commission has transferred substantially all risks and rewards of ownership. If the Commission has neither transferred nor retained substantially all the risks and rewards of ownership, an assessment is made whether the Commission has retained control of the financial assets.

Gains or losses arising from sales of financial assets are recognised in the statement of comprehensive income as a part of net income in the financial period in which they arise.

Measurement

At initial recognition, the Commission measures a financial asset at its fair value plus, in the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses are recognised in net income in the statement of comprehensive income when the asset is derecognised, modified or impaired.

The Commission's financial assets at amortised cost includes 'cash and cash equivalents', 'accounts receivable' and other receivables included in 'prepaid expenses and other assets' in the statement of financial position.

2. Material Accounting Policies (Continued)

(e) Financial instruments (continued)

i) Financial assets (continued)

Measurement (continued)

For financial assets at FVOCI, interest income and impairment losses or reversals are recognised in net income in the statement of comprehensive income. The remaining fair value changes are recognised in other comprehensive income (OCI). Upon derecognition, the cumulative fair value change previously recognised in OCI is recycled to net income. Interest income from these financial assets is calculated using the effective interest rate method.

The Commission's financial assets at FVOCI includes 'investments in debt securities' in the statement of financial position.

Impairment of financial assets

The Commission recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and accounts receivable. For debt instruments, ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Commission expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in a three-stage model. The ECL model includes the use of forward-looking information and classification of financial assets in three stages as summarized below and further explained in Notes 4, 6 and 17:

- Stage 1 – 12-month ECL: represents the expected credit loss arising from default events possible within 12 months from the reporting date. This is applicable to financial assets that originated or were purchased without credit recovery issues and whose credit risk has not significantly increased since initial recognition;

- Stage 2 – Lifetime ECL: considers all possible default events over the expected life of a financial instrument. A loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of default. This is applicable to financial assets that originated or were purchased without credit recovery issues and whose credit risk has increased significantly since initial recognition; and

2. Material Accounting Policies (Continued)

(e) Financial instruments (continued)

i) Financial assets (continued)

Impairment of financial assets (continued)

- Stage 3 – Lifetime ECL for credit-impaired assets: considers all possible default events over the expected life of a financial instrument. The measurement of assets classified in this stage is different from Stage 2 due to the recognition of interest income by applying the effective interest rate to the amortized cost (net of allowance for ECLs) rather than to the gross carrying amount.

A financial asset will migrate from a stage as its relative credit risk since initial recognition subsequently increases or decreases. Therefore, a financial asset that migrated to stages 2 and 3 may return to stage 1, unless it was originated or purchased with credit recovery issues.

Management determined that a significant increase in credit risk would result from, amongst others, a financial asset's credit rating migrating from investment grade to non-investment grade, and deterioration of credit ratings applicable to non-investment grade financial assets.

For accounts receivable, the Commission applies a simplified approach in calculating ECLs. Therefore, the Commission does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Commission has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The carrying amount of the financial asset is reduced through the use of an allowance account and the amount of the ECL is recognised in the statement of comprehensive income. If in a subsequent period the amount of the ECL decreases, the previously recognised ECL is reversed by adjusting the allowance account. The amount of the reversal is recognised in the statement of comprehensive income.

The Commission writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The write offs represent a derecognition event. The uncollectible financial asset is written off against the related allowance account. Recoveries of accounts previously written off are recognised directly in the statement of comprehensive income.

2. Material Accounting Policies (Continued)

(e) Financial instruments (continued)

ii) Financial liabilities

Financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The Commission's financial liabilities comprise accounts payable and other liabilities.

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

(f) Property and equipment

Property and equipment are carried at historical cost, less accumulated depreciation and any accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Commission and the cost of the item can be measured reliably. Repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Computer equipment	3 – 5 years
Furniture and fittings	3 – 5 years
Vehicles	3 – 5 years
Leasehold improvements	Lesser of lease term and 3 – 5 years

Assets' useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date or when an event has occurred that indicates a need to re-evaluate useful lives.

Assets subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use.

2. Material Accounting Policies (Continued)

(f) Property and equipment (continued)

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts and are included in the statement of comprehensive income.

(g) Computer software

The Commission amortizes intangible assets with a limited useful life such as computer software, using the straight-line method over a period of 3 to 5 years.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Commission are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use it
- there is an ability to use the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use the software are available, and
- the expenditure attributable to the software during its development can be reliably measured

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

(h) Income and expense recognition

Fee income of the Commission is comprised of application fees, registration fees, annual renewal fees, filing fees and other administrative fees charged to its licensees. Revenue is recognised at a point in time upon the completion of the document evaluation process of each of the activities described above. There are no post-performance obligations after the completion of the document evaluation processes to which each fee relates. All licence fees are for fixed amounts. Appropriations by

2. Material Accounting Policies (Continued)

(h) Income and expense recognition (continued)

Parliament (termed Government subvention) received to subsidise operating expenses and specific projects of the Commission, are deferred and recognised as income in the financial period in which any conditions attached to them have been satisfied and by reference to the financial period in which the Commission recognises as expenses the related costs that the Government subvention is intended to compensate. These amounts are presented gross in the statement of comprehensive income.

Government subvention, received to subsidise capital acquisitions, is recorded as deferred income and recognised as income over the useful lives of the applicable assets.

Interest income is recognised using the effective interest method. All other income and expenses are recognised on the accrual basis of accounting.

(i) Employee benefits

The Commission has a defined contribution pension plan for all eligible employees, whereby the Commission makes contributions to a privately administered pension plan. The Commission has no legal or constructive obligations to pay further contributions if the plan does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior years. The Commission's contributions to the defined contribution pension plan are recognised in the statement of comprehensive income in the financial period to which they relate.

Salaries, wages and other employee benefits are recognised on the accrual basis of accounting.

(j) Leases

The Commission leases a property for its office use and vehicles for its employee use. Lease contracts are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding lease liability at the date on which the leased asset is available for use by the Commission.

Assets and liabilities arising from a lease are initially measured on a present value basis.

2. Material Accounting Policies (Continued)

(j) Leases (continued)

Lease liabilities include the net present value of the following lease payments:

- Fixed payments less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Refer to Note 3 for how the Commission determines the lease term with extension and termination options.

The lease payments are discounted using the interest rate implicit in the lease. Where that rate is not readily determined, which is the case for the Commission's leases, the Commission's incremental borrowing rate is used, being the rate the Commission would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Refer to Note 3 for how the Commission determines the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the interest expense in the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date less any incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

2. Material Accounting Policies (Continued)

(k) Taxation

The Commission is established under the laws of The Bahamas and therefore is not subject to income, capital gains or other corporate taxes. The Commission's operations do not subject it to taxation in any other jurisdiction.

(l) Corresponding figures

Where necessary, corresponding figures are adjusted to conform with changes in presentation in the current year.

3. Critical Accounting Estimates and Assumptions

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Commission's accounting policies.

The information presented below provides an overview of the areas that involve a higher degree of judgement or complexity, and major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year. Detailed information about each of these estimates and judgements is included in the related notes together with information about the basis of calculation for each affected line item in the financial statements.

Measurement of ECL allowance

The measurement of the ECL allowance for financial assets measured at amortised cost and at FVOCI is an area that requires the use of a model and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of licensees defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring the ECLs are further detailed in Note 16.

A number of significant judgements are also required in applying the accounting requirements for measuring the ECLs, such as:

- Determining the criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECLs;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product and the associated ECLs;
- Establishing groups of similar financial assets for the purposes of measuring the ECLs.

3. Critical Accounting Estimates and Assumptions (Continued)

Leases – lease term and incremental borrowing rate

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The Commission cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Commission would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Commission 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Commission estimates the IBR using observable inputs (such as market interest rates or internal) when available and is required to make certain entity-specific adjustments.

Detailed information about the judgements and estimates made by the Commission in the above areas is set out in Notes 5, 6 and 16.

4. Investments in Debt Securities

The Commission ranks its investments in debt securities based on the hierarchy of valuation techniques required by IFRS, which is determined based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Commission's market assumptions. The Commission considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The determination of what constitutes 'observable' requires significant judgment by the Commission. These two types of inputs lead to the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

4. Investments in Debt Securities (Continued)

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

This hierarchy requires the use of observable market data when available. The Commission considers relevant and observable market prices in its valuations where possible.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset.

The fair value of financial instruments traded in active markets is based on quoted market prices as of the reporting date. A market is regarded as active if quoted prices are readily and regularly available from the exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently.

Investments in debt securities are as follows:

	2025 $	2024 $
<u>Stage 2 - ECL</u>		
Level 2		
Debt securities at FVOCI	16,859,925	2,759,789
Accrued interest	166,808	32,361
Expected credit losses	-	-
Total investments in debt securities	**17,026,733**	**2,792,150**

4. Investments in Debt Securities (Continued)

Bahamas Government Registered Stock

		2025		2024	
Maturity Date	**Interest Rate**	**Nominal Value**	**Fair Value $**	**Nominal Value**	**Fair Value $**
14-Sep-32	5.43%	3,500,000	3,482,645	-	-
14-Dec-32	5.43%	4,000,000	3,979,624	-	-
14-Dec-32	5.43%	1,500,000	1,492,359	-	-
16-Sep-34	5.54%	5,000,000	5,041,887	-	-
15-Oct-38	5.00%	1,000,000	955,582	1,000,000	923,941
21-Apr-40	5.30%	425,900	416,451	425,900	401,761
21-Apr-50	5.69%	1,574,100	1,491,377	1,574,100	1,434,087
Total investments in debt securities at FVOCI			**16,859,925**		**2,759,789**

5. Leases

The Commission entered into a non-cancellable operating lease agreement for a fixed period of five years with Poinciana SPV Ltd., commencing 1 January 2019, with an option to renew for three years, which was assessed as reasonably certain to be exercised. In 2024 the Commission renewed its office space lease. The Commission also leases vehicles for employee use.

The statement of financial position shows the following amounts:

	2025 $	2024 $
Right-of-use assets		
Office space	2,150,535	2,474,808
Vehicles	36,167	20,876
Office equipment	1,774	12,422
	2,188,476	**2,508,106**

5. Leases (Continued)

For the year ended 31 December 2025, there were no direct costs incurred by the Commission upon entering a lease.

	2025 $	2024 $
Lease liabilities		
Current	729,990	687,803
Non-current	1,634,557	2,330,115
	2,364,547	**3,017,918**

The IBRs applied to the lease liabilities of the office space, office equipment and vehicles are 5.5%, 6.5% and 6.5%, respectively. Common area maintenance and other additional rent charges not included in the measurement of lease liabilities are presented under 'Rent' in the statement of comprehensive income.

The statement of comprehensive income shows the following amounts:

	2025 $	2024 $
Depreciation on right-of-use assets	749,273	751,763
Interest expense on lease liabilities	149,420	186,114
	898,693	**937,877**

The total cash outflow for leases in 2025 was $839,862 (2024: $823,007).

6. Accounts Receivable

	2025 $	2024 $
Investment funds and investment fund administrators	109,052	77,522
Financial and corporate service providers	345,635	215,115
Securities industry licensees and registrants	635,509	449,422
Other	1,243,758	10,271,113
	2,333,954	11,013,172
Allowance for expected credit losses	(783,617)	(407,469)
Total accounts receivable, net	**1,550,337**	**10,605,703**

6. Accounts Receivable (Continued)

Movements in the allowance for expected credit losses comprise:

	2025 $	2024 $
As at 1 January	407,469	394,350
Provision for expected credit losses	376,148	13,119
Bad debts written off	-	-
As at 31 December	**783,617**	**407,469**

The allowance for expected credit losses as at 31 December was determined as follows for accounts receivable:

As at 31 December 2025	**0 to 90 days**	**91 to 180 days**	**181 to 270 days**	**271 to 360 days**	**Over 360 days**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Gross carrying amount	1,845,745	112,572	60	166,069	230,395	2,354,841
Allowance for expected credit losses	290,403	45,351	2,763	166,772	278,328	783,617

As at 31 December 2024	**0 to 90 days**	**91 to 180 days**	**181 to 270 days**	**271 to 360 days**	**Over 360 days**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Gross carrying amount	10,612,827	11,000	6,970	123,795	258,580	11,013,172
Allowance for expected credit losses	72,905	4,011	5,225	104,748	220,580	407,469

7. Investment in SPV

In September 2017, the Commission agreed to hold 100% of the shares of Poinciana SPV Ltd. (a special purpose vehicle (SPV) incorporated in The Bahamas) on behalf of the Government of The Bahamas (the Government). The Commission's holding of the shares of Poinciana SPV Ltd. is expected to be temporary.

The Commission evaluated if it controls or exerts significant influence over Poinciana SPV Ltd. based on the guidance in IFRS 10 - *Consolidated financial statements* and IAS 28 - *Investments in associates and joint ventures* respectively and concluded that it does not have controlling power or significant influence over Poinciana SPV Ltd. (See Note 13 for further information).

There were no movements in the investment in the SPV in 2025 and 2024.

Poinciana SPV Ltd. owns real estate located on East Bay Street, Nassau, Bahamas which is comprised of land and two Class A office buildings known as the Poinciana House North and South.

The following table summarizes the unaudited financial information of Poinciana SPV Ltd. as at and for the year ended 31 December 2025 and the audited financial information as at and for the year ended 31 December 2024.

7. Investment in SPV (Continued)

Summary Statement of Financial Position	**2025**	**2024**
	$	**$**
Current assets	15,675,205	896,514
Investment property	29,848,623	28,231,967
Total assets	**45,523,828**	**29,128,481**
Current liabilities	552,943	372,887
Borrowings	13,713,019	14,906,776
Total liabilities	**14,265,962**	**15,279,663**
Share capital	2	2
Contributed capital	32,519,043	15,568,603
Accumulated deficit	(1,261,179)	(1,719,787)
Total equity	**31,257,866**	**13,848,818**
Total liabilities and equity	**45,523,828**	**29,128,481**

Summary Statement of Comprehensive Loss	**2025**	**2024**
	$	**$**
Total income	2,706,829	2,773,203
Total expenses	(2,727,425)	(2,890,260)
Net comprehensive (loss)	**(20,596)**	**(117,057)**

Notes to the Financial Statements
31 December 2025
(Continued)

8. Property and Equipment

	Computer Equipment $	Furniture and Fittings $	Leasehold Improvements $	Art Work $	Total $
Cost					
As at 1 January 2025	2,883,387	786,855	64,143	29,178	3,763,563
Additions	103,281	372,044	8,559	-	483,884
Disposals	-	(36,566)	-	-	(36,566)
As at 31 December 2025	**2,986,668**	**1,122,333**	**72,702**	**29,178**	**4,210,881**
Accumulated depreciation					
As at 1 January 2025	2,776,923	764,666	58,326	-	3,599,915
Depreciation expense	81,895	28,054	1,396	-	111,345
Disposals	-	(36,566)	-	-	(36,566)
As at 31 December 2025	**2,858,818**	**756,154**	**59,722**	**-**	**3,674,694**
Net book value as at 31 December 2025	**127,850**	**366,179**	**12,980**	**29,178**	**536,187**
Cost					
As at 1 January 2024	2,850,086	779,628	57,163	29,178	3,716,055
Additions	33,301	7,227	6,980	-	47,508
Disposals	-	-	-	-	-
As at 31 December 2024	**2,883,387**	**786,855**	**64,143**	**29,178**	**3,763,563**
Accumulated depreciation					
As at 1 January 2024	2,643,262	755,839	57163	-	3,456,264
Depreciation expense	133,661	8,827	1,163	-	143,651
Disposals	-	-	-	-	-
As at 31 December 2024	**2,776,923**	**764,666**	**58,326**	**-**	**3,599,915**
Net book value as at 31 December 2024	**106,464**	**22,189**	**5,817**	**29,178**	**163,648**

Notes to the Financial Statements
31 December 2025
(Continued)

9. Computer Software

Computer software comprises:

	Total $
Cost	
Balance as at 1 January 2025	706,722
Additions	23,760
Balance as at 31 December 2025	**730,482**
Accumulated amortization	
Balance as at 1 January 2025	-
Additions	235,574
Balance as at 31 December 2025	**235,574**
Net book value as at 31 December 2025	**494,908**
Cost	
Balance as at 1 January 2024	706,722
Additions	-
Balance as at 31 December 2024	**706,722**
Accumulated amortization	
Balance as at 1 January 2024	-
Amortisation expense	-
Balance as at 31 December 2024	**-**
Net book value as at 31 December 2024	**706,722**

The Commission continues to progress its data warehouse development project geared towards improving regulatory monitoring and operational efficiencies. Capitalized computer software costs in relation to the development of the data warehouse system were $23,760 during 2025 (2024: $Nil). Additionally, amortisation expense of $235,574 was recognized during the year (2024: $Nil).

10. Deferred Income

Deferred income as at 31 December 2025 was $nil (2024: $nil). All deferred income is eligible to be recognised in the following year in the statement of comprehensive income.

Movements in Government subvention comprise:

	2025 $	2024 $
As at 1 January	-	-
Government subvention received	2,500,000	2,000,000
Government subvention utilised – operations	(2,500,000)	(2,000,000)
As at 31 December	**-**	**-**

11. Contribution due to Poinciana SPV Ltd

In July 2023, the Ministry of Finance directed the Commission to contribute $4,000,000 of its unused subvention to Poinciana SPV Ltd. The Commission allocated unused subvention of $2,751,512 and accumulated surplus of $1,248,488 to the contribution due. In November 2024, the Commission paid $500,000 of the $4,000,000 due to Poinciana. There were no transaction made during 2025.

12. Reserves

Revaluation reserve

The Commission's investments in debt securities are measured at FVOCI, as explained in note 2(e)(i). Changes in fair value of these investments are accumulated within the revaluation reserve within equity. The accumulated changes in fair value are transferred to net income when the investment is derecognised or impaired. The expected credit losses on debt securities measured at FVOCI are recorded in the statement of comprehensive income and included as other comprehensive income within the revaluation reserve within the statement of changes in net assets.

12. Reserves (continued)

Reserve fund

Upon obtaining approval from the Ministry of Finance, the Commission established a reserve fund on 30 April 2018 in accordance with Section 20(2) of the Act. Section 21(1) of the Act enables the Commission to determine the management of the fund. This reserve fund will be used for the Commission's development with the approval of its members. The reserve fund as at 31 December 2025 totaled $4,170,000 (2024: $4,170,000).

Special purpose reserve

Section 22(3) of the Act requires that administrative fines levied by the Commission be used for the sole purpose of promoting public understanding of the financial system. Accordingly, the Commission established a special purpose reserve for this purpose. The special purpose reserve as of the year end, net of provision for ECLs is shown below:

	2025 $	2024 $
Balance of the special purpose reserve, gross	120,000	120,000
Provision for ECLs	-	-
Balance of the special purpose reserve, net	**120,000**	**120,000**

13. Employee Benefits

Pension costs recognised in the statement of comprehensive income in the current year totaled $526,027 (2024: $460,254). The Commission's contributions to the pension plan vest 100% with employees upon completion of 5 years of employment.

During the year, the Commission received reimbursements totaling $66,541 (2024: $12,137) representing the unvested portion of pension contributions relating to former employees of the Commission. The unvested contributions were credited to salaries, wages and employee benefits in the statement of comprehensive income.

As of 31 December 2025, the Commission employed 104 (2024: 99) persons.

14. Related Party Balances and Transactions

Related parties comprise: i) Government ministries and departments; ii) Government corporations and agencies; iii) entities controlled by the Government; iv) entities in which the Government has a significant ownership interest; and v) key management personnel, including members of the Commission. Balances and transactions with related parties, not otherwise disclosed in the financial statements, include:

	2025	**2024**
	$	**$**
Assets		
Cash at banks	1,694,218	4,377,954
Accounts receivable	218,533	180,906
Prepaid expenses and other assets	18,145	18,145
Investments in debt securities	17,026,733	2,792,150
Right-of-use assets – SPV	2,150,535	2,867,380
Liabilities		
Accounts payable and accrued expenses	39,287	7,506
Other liabilities - due to the Compliance Commission	216,169	132,208
Lease liabilities – SPV	2,325,757	2,982,305
Income		
Interest income	769,580	302,457
Other income	14,400	46,900
Expenses		
Depreciation on right-of-use assets - SPV	716,845	716,845
Interest expense on lease liabilities - SPV	147,544	182,559
Utilities and property charges	106,087	97,118

Compensation of key management personnel for the year ended 31 December 2025 comprised $860,374 (2024: $836,077) for salaries and other short-term benefits and $42,942 (2024: $221,639) for pension benefits.

During year, the Commission held short-term investments of $4,961,980 (2024: $nil) on behalf of Poinciana SPV Ltd. Because the Commission acted solely as an agent, these investments and the corresponding obligations to Poinciana SPV Ltd. are not recognised in the statement of financial position.

15. Commitments and Contingencies

Other commitments

During 2015, the Commission acted as executing agent on behalf of the Government in relation to a purchase agreement for land and buildings. Initial funding was provided by the Government. During 2016, the Ministry of Finance (the Ministry) decided to acquire that land and buildings through Poinciana SPV Ltd., the special purpose vehicle referred to in Note 7. The Ministry subsequently decided that the Commission would hold the shares of Poinciana SPV Ltd.

Contingencies

The Commission is a defendant in several legal proceedings and would be liable for claims and legal costs in the event of an adverse finding by the courts. However, it is not possible to either predict the decision of the courts or estimate the amount of such awards. Management does not expect that the resolution of these matters will have a material impact on the Commission's financial position and accordingly, no provisions have been made in these financial statements relative to the legal proceedings.

16. Financial Risk Management

The Commission engages in transactions that expose it to credit risk, liquidity risk and interest rate risk in the normal course of business. The Commission's financial performance is affected by its capability to understand and effectively manage these risks.

(a) Credit risk

Credit risk arises from the potential failure of a counterparty to perform according to the terms of the contract. The Commission's exposure to credit risk is concentrated in its cash at banks, accounts receivable, other receivables included in prepaid expenses and other assets and investments in debt securities. The Commission mitigates the risk associated with cash at banks by placing its deposits with domestic financial institutions in good standing with the Central Bank of The Bahamas, including a related party. The risk associated with accounts receivable is mitigated by the monitoring of payment history before continuing to extend credit to licensees. Transactions in securities are conducted with brokers in good standing with the Commission. The investment in debt securities consists of debt securities issued by the Government which holds a credit rating of Ba3, indicating a level of credit risk. As a result, the investment securities are classified as stage 2, where a lifetime expected credit loss is recognised, for the purpose of assessing ECLs.

16. Financial Risk Management (Continued)

(a) Credit risk (continued)

Impairment

The Commission has assessed the ECL for cash at banks, investments in debt securities and other receivables included in prepaid expenses and other assets. The identified impairment losses based on the credit quality of the counterparties were determined to be immaterial and are not recorded in these financial statements.

Accounts Receivable
The Commission applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all accounts receivable.

To measure the ECLs, accounts receivable has been grouped based on shared credit risk characteristics and the days past due. The Commission has therefore, concluded that the expected loss rates for accounts receivable are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of licensing fees over a period of 36 months before 31 December 2025 (2024: 36 months before 31 December 2024) and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Commission has identified the Gross Domestic Product (GDP) of The Bahamas to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor. See Note 6 for the aged analysis of accounts receivable.

(b) Liquidity risk

The objective of liquidity management is to ensure the availability of sufficient funds to honour all of the Commission's financial commitments as they become due.

As of 31 December 2025, all of the Commission's accounts payable and accrued expenses and other liabilities are repaid within one year. The table below analyses financial assets and liabilities, into relevant maturity groupings based on the remaining period to the contractual maturity dates as of the date of the statement of financial position and represents undiscounted cash flows.

16. Financial Risk Management (Continued)

Liquidity risk (continued)

As at 31 December 2025 **Period to maturity**	**Up to 3 months** **$**	**3-6 months** **$**	**6-12 months** **$**	**Over 1 year** **$**	**Total** **$**
Assets					
Cash and cash equivalents	1,764,634	-	-	-	1,764,634
Accounts receivable	1,845,745	112,573	166,129	230,395	2,354,842
Investments in debt securities	-	-	-	17,026,733	17,026,733
Total financial assets	**3,610,379**	**112,573**	**166,129**	**17,257,128**	**21,146,209**
Liabilities					
Accounts payable and accrued liabilities	1,556,352	-	-	3,500,000	5,056,352
Other liabilities	216,169	-	-	-	216,169
Lease liabilities	205,926	205,926	411,852	1,706,375	2,530,079
Total financial liabilities	**1,978,447**	**205,926**	**411,852**	**5,206,375**	**7,802,600**
Net liquidity gap	**1,631,932**	**(93,353)**	**(245,723)**	**12,050,753**	**13,343,609**

As at 31 December 2024 **Period to maturity**	**Up to 3 months** **$**	**3-6 months** **$**	**6-12 months** **$**	**Over 1 year** **$**	**Total** **$**
Assets					
Cash and cash equivalents	6,721,215	-	-	-	6,721,215
Accounts receivable	10,612,827	11,000	6,970	382,375	11,013,172
Investments in debt securities	-	-	-	2,759,789	2,759,789
Total financial assets	**17,334,042**	**11,000**	**6,970**	**3,142,164**	**20,494,176**
Liabilities					
Accounts payable and accrued expenses	2,061,641	-	-	-	2,061,641
Other liabilities	132,209	-	-	-	132,209
Lease liabilities	207,577	207,577	416,132	2,534,317	3,365,603
Total financial liabilities	**2,401,427**	**207,577**	**416,132**	**2,534,317**	**5,559,453**
Net liquidity gap	**14,932,615**	**(196,577)**	**(409,162)**	**607,847**	**14,934,723**

16. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

The mismatch in financial assets and financial liabilities is effectively managed by the Commission through the availability of subvention that is provided by the Government of The Bahamas and the ability to easily liquidate investments in debt securities to meet funding needs.

(c) Interest rate risk

Interest rate risk is the risk that the future cash flows or fair values of financial instruments will fluctuate because of changes in market interest rates. The Commission's exposure to cash flow interest rate risk is concentrated in cash at banks, which is not considered significant as amounts earned on these balances are minimal.

The Commission is exposed to fair value interest rate risk on its Bahamas Government Registered Stock (BGRS) investments, which are at fixed interest rates.

17. Fair Value of Financial Instruments

Financial instruments utilised by the Commission include the recorded financial assets and liabilities disclosed in the financial statements. Their estimated fair values approximate their carrying values due to the relatively short-term nature of the instruments or the instruments being carried at fair value.

The fair value hierarchy of financial instruments is principally Level 2.

18. Capital Management

The capital of the Commission is represented by its net assets. The Commission's objectives when managing capital are to safeguard its ability to continue as a going concern in order to support its regulatory powers and associated operations.

19. Subsequent Events

Subsequent to 31 December 2025, the Commission received subvention of $2,575,000, to be utilised by the Commission for its general operations and capital expenditure.

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