



## **DRAFT GUIDANCE NOTES FOR ASSESSING THE FITNESS AND PROPRIETY OF MONEY LAUNDERING REPORTING OFFICERS IN THE BAHAMAS**

**Document for Consultation  
Published: February 12, 2010**

The Securities Commission of The Bahamas (the Commission) is pleased to issue its draft Guidance Notes for assessing the Fitness and Propriety of Money Laundering Reporting Officers (“MLROs”), which has been agreed by the Group of Financial Services Regulators (GFSR)<sup>1</sup>. These Guidelines contain a common set of criteria, which the GFSR proposes that each financial sector regulator adopt to assess the fitness and propriety of individuals nominated to serve as MLROs in financial institutions operating in and from within The Bahamas.

The draft Guidelines seek to balance the important roles played by the financial sector regulators and the Financial Intelligence Unit (FIU) in ensuring effective operation of the AML/CFT regime in The Bahamas, while at the same time giving each regulator the flexibility to adopt additional criteria specific to the circumstances of the financial institutions that they regulate. The GFSR proposes to make these Guidelines applicable only to “prudentially regulated financial institutions” (i.e., financial institutions regulated by the Commission, the Central Bank of The Bahamas (Central Bank), the Insurance Commission and the Director of Cooperative Development), excluding, for the present, Designated Non-Financial Businesses or Professions (DNFBPs)/Designated Non-bank Financial Institutions (DNFBIs), for which the Inspector of Financial Corporate Services Providers and the Compliance Commission share joint regulatory responsibility. The rationale for this exclusion is that the GFSR believes that these classes of individuals/financial institutions presents a unique set of challenges, which require further discussion and elaboration by the relevant Regulators.

The Commission welcomes comments on all the issues outlined in the draft Guidance Notes. As is customary, a copy of the draft Guidance Notes can be found on the Commission’s website.

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<sup>1</sup> The GFSR comprises the Central Bank, the Securities Commission (in its capacity as the Commission and the Inspector of Financial and Corporate Services Providers), the Insurance Commission, the Compliance Commission, and the Director of Cooperative Development. The Financial Intelligence Unit and the Office of the Attorney General also participates in meetings of the GFSR.

There is a ten (10) day consultation period with respect to this document and the deadline for comment is **Monday February 22, 2010**.

Comments should be submitted in writing via email, post mail or fax to the following address:

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