

2015

Securities Commission of The Bahamas

Annual Report



Regulating the Investment
Funds, Securities and Capital
Markets since 1995.



Staff of the Commission as at 22 June 2015

Mission

To effectively oversee and regulate the activities of the investment funds, securities and capital markets, and to protect investors while strengthening public and institutional confidence in the integrity of those markets.

Functions

The functions of the Commission are to:

- advise the Minister on all matters relating to the capital markets and its participants;
- maintain surveillance over the capital markets and ensure orderly, fair and equitable dealings in securities;
- foster timely, accurate, fair and efficient disclosure of information to the investing public and the capital markets;
- protect the integrity of the capital markets against any abuses arising from financial crime, market misconduct and other unfair and improper practices;
- promote an understanding by the public of the capital markets and its participants and the benefits, risks, and liabilities associated with investing;
- create and promote conditions that facilitate the orderly development of the capital markets; and
- perform any other function conferred or imposed on it by securities laws or Parliament.

- Section 12, Securities Industry Act, 2011

Table of Contents

LETTER OF TRANSMITTAL	5
MESSAGE FROM THE CHAIRMAN	6
MEMBERS OF THE COMMISSION	8
EXECUTIVE DIRECTOR'S REMARKS	10
MANAGEMENT TEAM.....	12
DEPARTMENTS	13
ORGANISATIONAL OVERVIEW	17
ORGANISATIONAL UPDATES.....	18
SUPERVISORY UPDATES.....	20
CAPITAL MARKETS OVERVIEW	21
SECURITIES INDUSTRY ACT, 2011	22
Registration Activity	22
Inspections	23
Legislative and Regulatory Updates	24
Industry Engagement	24
Milestones of the securities industry over the last 20 years.....	25
INVESTMENT FUNDS ACT	26
Licensing and Registration Activity.....	26
Examinations	27
Legislative and Regulatory Updates	27
Industry Engagement	27
Milestones of the investment funds industry over the last 20 years	28
FINANCIAL AND CORPORATE PROVIDERS ACT	29
Licensing Activity	29
Examinations	29
Legislative and Regulatory Updates	29
Agent Training	29
Industry Engagement	30
Milestones of the financial and corporate service providers sector	31
INTERNATIONAL REQUESTS OVERVIEW	32
ENFORCEMENT	32
AFFILIATIONS AND MEMBERSHIPS	33
INVESTOR EDUCATION	35
20TH ANNIVERSARY CELEBRATIONS	37
FINANCIAL SUMMARY	41
FINANCIAL STATEMENTS	42



30 June 2016

The Rt. Hon. Perry G. Christie
Prime Minister and Minister of Finance
Office of the Prime Minister
Cecil Wallace-Whitfield Centre
Cable Beach
Nassau, N.P., The Bahamas

Dear Prime Minister:

In accordance with Section 31(1) of the Securities Industry Act, 2011, I have the honour 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 2015. Included in this Report is the Annual Statement of Accounts of the Commission for the year.

Yours sincerely,

Tonya Bastian Galanis
Chairman

Chairman's Message

Tonya Bastian Galanis



In 2015, the Securities Commission of The Bahamas (the Commission) observed 20 years of regulating the investment funds, securities and capital markets in The Bahamas with celebratory activities commemorating the contributions of the Commission's stakeholders, staff and past leadership teams since its establishment in 1995.

The Commission has matured noticeably over the last two decades—a necessary response to ensure the vitality of the industry as global standards evolved, and risks to investors in the capital markets multiplied. This maturing is evidenced, perhaps most profoundly, in the strengthening of the regulatory framework and the augmentation of the Commission's technical capacity, as the organisation strove to achieve a world-class regulatory structure.

In 2015 the Commission continued this advancement. The gains made included increased involvement in the work of various international organisations, the continued development of the legislative framework, and the recruitment of a highly-skilled executive team.

International Engagement

The Commission is resolved to expand its participation in international regulatory matters in order to better serve the investing public, licensees and registrants. This will afford the Commission the opportunity to voice the unique concerns of The Bahamas' investment funds, securities and capital markets, and to contribute to the development of regulatory standards.

I was privileged, along with Executive Director Christina Rolle, to represent the Commission, at the International Organization of Securities Commissions (IOSCO) Annual Conference in London, England in June 2015. As the global standards setter for securities markets regulation, IOSCO's Principles invariably impact the regulatory framework the Commission administers.

The Commission increased its involvement with the work of the Growth and Emerging Markets Committee (GEMC), IOSCO's largest subcommittee. The objective of the GEMC is to promote the development and greater efficiency of emerging securities and futures markets by instituting principles and minimum standards, building members' capacity, and facilitating information and expertise exchange.

The Commission joined the GEMC Corporate Governance Task Force in September 2015, and is involved in the work streams focusing on board composition and risk management. The Commission's involvement with this task force is timely as the Commission prepares to issue corporate governance guidelines for public issuers in 2016. The Commission also participates in the GEMC Working Group on Digitisation in Capital Markets. It is envisioned that involvement in this working group will increase the Commission's capacity to address areas such as cyber security, technology-driven market disruption and new and innovative electronic-based products and services.

Deputy Executive Director, Stephen Coakley Wells and I participated in the joint Inter-American Regional Committee (IARC)/Counsel of Securities Regulators of the Americas (COSRA) meeting in January 2015. Deputy Chairman Jerry Butler, along with the executive director and Legal Counsel Mechelle Martinborough, represented the Commission at the IARC/COSRA meeting in November. The Commission has committed to hosting the joint IARC/COSRA meeting in the last quarter of 2016. COSRA has a similar composition to IARC, with member regulators from North America, Central America, South America, and the Caribbean. The hosting of this conference is another signal of the Commission's commitment to engagement with external regulators and further increases the Commission's regional and international profile.

The Commission is a party to various agreements that demonstrate its commitment to international best practices and maintaining appropriate standards. In January 2015, the Commission signed a memorandum of understanding (MoU) under the European Union's Alternative Investment Fund Managers Directive (AIFMD) with Spain's investment funds regulator. This MoU brought the total number of MoUs signed under the AIFMD to 27, out of 31 European Union jurisdictions.

CFATF Mutual Evaluation

The Bahamas' compliance with the Financial Action Task Force's anti-money laundering and countering the financing of terrorism (AML/CFT) recommendations was assessed as the jurisdiction underwent its fourth round mutual evaluation. Representatives from

the Caribbean Financial Action Task Force (CFATF) conducted the assessment between 30 November and 11 December 2015. The assessment focused on compliance under a new methodology which aimed to determine, among other things, the effectiveness of The Bahamas' efforts to combat money laundering, the financing of terrorism and the proliferation of weapons of mass destruction.

Throughout 2015, the Commission, in its capacity as both the regulator for the investment funds, securities and capital markets and the Inspector of Financial and Corporate Services, participated with other agencies of the Government in preparation for the mutual evaluation. This included involvement in the National Anti-Money Laundering Committee, contributions to the national money laundering/financing of terrorism risk assessment, attendance at the CFATF plenary meetings in Trinidad and Tobago, and the implementation of the Securities Industry Anti-Money Laundering and Countering the Financing of Terrorism Rules (AML/CFT Rules).

Legislative Developments

The Commission continues its efforts to refine the legislative framework governing regulated persons and activities under its mandate. In this vein, two important pieces of legislation were gazetted in December 2015, namely, the previously referenced AML/CFT Rules and the Securities Industry (Amendment) Regulations, 2015.

The AML/CFT Rules are applicable to all registrants of the Securities Commission pursuant to Part V of the Securities Industry Act, 2011, excluding investment funds and investment fund administrators. These Rules address, among other things, requirements for internal controls, the implementation of a risk-rating framework, customer identity verification and record keeping. Prior to their implementation, the AML/CFT Guidelines issued by the Central Bank of The Bahamas were applicable to the Commission's registrants.

Regulations 69 and 88 were amended with the promulgation of the Securities Industry (Amendment) Regulations, 2015. Regulation 69 was amended to remove the obligation on registrants, in the case of client-instructed transactions, to give their opinion on suitability prior to execution. Regulation 88, which requires registered firms to hold client's assets separate and apart from its own property in trust for the client, was amended to exempt from this requirement registered firms who hold a banking licence under the Bank and Trust Companies Regulation Act and provide banking services for their clients.

Steady progress is being made towards the development of legislation to repeal and replace the Investment Funds Act, 2003. The Commission is aiming to complete the drafting of the new legislation in 2016. Work has also commenced to develop legislation to repeal and replace the Financial and Corporate Service Providers Act, 2000. In order to incorporate early industry involvement in the development of the new legislation, the Commission commenced meetings with focus groups representing various categories of operations that are currently licensed, or that are being contemplated to be supervised under the new legislation.

Executive Leadership

The Commission welcomed Ms. Christina R. Rolle as Executive Director, effective 26 January 2015. A graduate of the Kellogg School of Management, Ms. Rolle brought to the Commission over 20 years of financial services experience, both in local and international markets. Her industry experience, in areas such as wealth management, trust and fiduciary services, compliance, risk management and corporate governance strengthens the Commission's technical capacity and will be instrumental in the attainment of its strategic goals.

The Commission also successfully recruited Mr. Stephen Coakley Wells for the position of deputy executive director. Mr. Coakley Wells joined the Commission on 2 January 2015, bringing with him 20 years of relevant experience in such areas as investments and portfolio management. Mr. Wells' employment with the Commission concluded at the end of 2015. On behalf of the Members of the Commission, I thank him for his contributions to the Commission's work over the year.

Acknowledgements and Conclusion

The Board bade farewell to Mrs. Wendy Craigg, who served as an ex-officio Member of the Commission in her capacity as the Governor of the Central Bank of The Bahamas. Mrs. Craigg retired from that office effective 31 December 2015. On behalf of the Members of the Commission, I thank Mrs. Craigg for her many contributions to the development of the Commission.

I also recognise and thank Mr. Hillary Deveau, the outgoing executive director, for his contributions to the Commission and his many years of service. Mr. Deveau had previously worked with the Commission for some 13 years in various senior capacities, before returning to the Commission as executive director in an interim capacity on 11 September 2013.

I extend thanks to the Members of the Commission, the management team and staff for their dedication and professionalism during 2015. Together with industry stakeholders, the Members, management and staff of the Commission are resolved to building on the work of our forerunners to ensure effective regulation of the investment funds, securities and capital markets in the decades ahead.

Members of the Commission

(As at 31 December 2015)



Tonya Bastian Galanis
Chairman



Jerry Butler
Deputy Chairman



Christina Rolle
Ex-Officio Member
Executive Director



Wendy Craig
Ex-Officio Member
Governor, Central Bank
of The Bahamas



Michele Fields
Ex-Officio Member
Superintendent,
Insurance
Commission of The
Bahamas



Sharmie Austin
Member



Marion Bethel
Member



Arinthia Komolafe
Member



Phillip McKenzie
Member



Kimberley Rolle
Member



Robin Scavella
Member

Structure and Membership of the Commission

Part II of the Securities Industry Act, 2011 (SIA) establishes the Commission as a body corporate and requires that the membership consist of a Chairman, a Deputy Chairman, up to seven Members appointed at the discretion of the responsible minister (the Minister of Finance) and three ex-officio Members: the Executive Director of the Commission, the Governor of the Central Bank of The Bahamas and the Superintendent of the Insurance Commission of The Bahamas. Members are appointed by the Minister based on their experience or demonstrated capacity in matters relating to industry and the disciplines of commerce, law, finance, economics and administration.

The SIA provides for the Chairman to hold office for a period of five years, and for the Deputy Chairman and other Members to hold their offices for a period not to exceed four years. All members, including the Chairman, are eligible for reappointment.

The current Members were appointed effective 1 July 2013, with the exception of the Board's ex-officio members. The ex-officio members took office as follows: Mrs. Wendy Craigg, Governor of the Central Bank, on 1 June 2004; Mrs. Michele Fields, Superintendent of Insurance Commission of The Bahamas, on 1 January 2012; and the Commission's Executive Director, Ms. Christina Rolle, on 26 January 2015.

Role of the Board

Members of the Commission have responsibility for the policy matters and governance of the organisation. The duties of the Board include overseeing the strategic focus of the organisation, as well as establishing Rules and Guidelines applicable to the investment funds, securities and capital markets.

Activities of the Board

The Board held 12 regular meetings during 2015.

Committees of the Board

The Board has appointed three committees to assist it in the execution of its duties: the Legislative Committee, the Audit Committee, and the Human Resources Committee. The Chairman and the Executive Director serve as ex-officio members on all committees. During the year, the Legislative Committee held 9 meetings, the Audit Committee held 5 meetings and the Human Resources Committee held 3 meetings.

Board Committees

Audit Committee

This committee advises and makes recommendations to the Commission on all matters relating to corporate governance, including internal financial controls, internal and external audits, and compliance with financial reporting requirements.

Members: Mr. Jerry Butler – Chair; Ms. Marion Bethel; Mrs. Michele Fields; Mrs. Arinthina Komolafe; Mrs. Kimberley Rolle; and the Commission's appointed representative, Mrs. Monique Sands, Financial Controller.

Human Resources Committee

This committee assists the Commission in establishing and reviewing remuneration and other related policies for employees of the Commission.

Members: Mrs. Arinthia Komolafe – Chair; Mrs. Sharmie Austin; Mr. Jerry Butler; and the Commission's appointed representative, Mrs. Bernadette Gibson, Manager, Human Resources.

Legislative Committee

This committee reviews existing and proposed legislation pertinent to the industries regulated by the Commission. It also provides input and assistance on other significant legal issues.

Members: Mr. Philip McKenzie – Chair; Mrs. Kimberley Rolle; and the Commission's appointed representative, Ms. Mechelle Martinborough, Legal Counsel.

Executive Director's Remarks

Christina R. Rolle



Upon taking up the position of Executive Director on 26 January 2015, I came expecting that the job would be filled with challenges and problems to solve.

While that is indeed true, it is also true that I am not alone in facing those challenges. I was met with a gracious welcome and warm embrace from the staff of the Commission. I take this opportunity to say a public thank you to the management team and the entire staff at the Commission for their commitment and positive response to the increased demands which were placed on them in 2015.

In coming to this role, I had two overarching concerns. My first concern was, and still is, to ensure that the Commission is fulfilling its role, and expanding its influence, in order to protect the integrity of the capital markets and the sub-sectors for which the Commission has responsibility. The second concern is the undeniable shrinkage in the financial services sector in The Bahamas. This last concern is relevant for a regulator since the true purpose behind our role is to enable a highly compliant environment where healthy businesses can thrive and contribute to the economic and social development of the jurisdiction and its people.

These concerns are not small by any means, but I recognise that they will have to be addressed incrementally. My approach has been to establish goals and objectives that directly impact the noted concerns, including enhancing overall operational efficiency, building/developing technical capacity through a focus on training, improving international involvement, and increasing industry engagement and influence. Over the past year, we have made great strides in all of these areas.

Operational Efficiency

Enhancing the overall operational efficiency of the Commission is an ongoing effort and remains a top priority. In 2015, the Commission saw the development of a compliance function within the Office of the Executive Director aimed at developing internal operational procedures and improving process efficiencies.

While facing increasing numbers of applications submitted, and without taking on any additional headcount, our Authorisations Department has reduced the Commission's processing time for completed applications to just under 30 days. Our Inspections Department has increased the number of completed examinations to more than triple the number of examinations completed in 2013 and fifty percent more than the examinations conducted in 2014.

Training and Capacity Building

In efforts to enhance the technical capacity of the staff within the Commission, a training programme jointly facilitated by the United States' Securities and Exchange Commission and the Securities Commission of The Bahamas was held at the British Colonial Hilton in New Providence from Tuesday 11 through Friday 14 August 2015. This capacity building programme was the first of its kind to be hosted by the Commission and it provided specialised training with respect to regulatory supervision of the capital markets and the broader securities industry. Other local financial services regulators as well as certain government agencies were invited to and participated in the programme.

Regional and International Involvement

At the Caribbean Group of Securities Regulators' ("CGSR") 11th annual conference held 22-24 April 2015, the Commission was appointed as Chair of CGSR for the years 2016-2017. As Chair, the Commission will lead the CGSR agenda for the next two years and host the annual conferences in 2016 and 2017.

The Commission has also increased its participation and visibility within the International Organization of Securities Commissions ("IOSCO"), which is the leading international body recognised as the global standard setter for the securities sector. Last year, the

Commission responded to a number of IOSCO led surveys and questionnaires which form the groundwork for IOSCO's research and policies. We also participated in IOSCO's Growth and Emerging Markets Committee Task Force on Corporate Governance with direct participation in two work streams: board composition and risk management.

Industry Engagement and Influence

The first quarter of 2015 saw the launch of the Commission's "courtesy call" initiative from within our Market Surveillance Department. The aim of this initiative was to engage with our licensees and registrants in order to gain a practical appreciation of their operations while also giving the licensees an opportunity to hear from and address the Commission on their particular concerns with respect to the regulatory framework and process. The Commission has received positive feedback on this initiative with both licensees and prospects positively commenting on the competitive advantage for the jurisdiction in having a regulator that is accessible.

The Office of Legal Counsel, in 2015, completed or made significant progress on a number of long outstanding legislative amendments, rules and industry guidance, including resolution on the issue of "segregation of client cash and assets" with an amendment to regulation 88 of the Securities Industry Regulations, 2012 ("SIR, 2012"), the passage of AML/CFT rules, in November 2015, as well as the development of "suitability" guidelines with respect to regulation 69 of SIR, 2012.

Recognising the threat that financial fraud poses to the Bahamian public, the Commission planned a number of initiatives to educate investors, as well as the general public, with respect to some common typologies of fraudulent activity. One such initiative was the publication of an educational booklet titled "Tips to Avoid Fraud and Scams." The booklet was published during the fourth quarter of the year and addresses the nature of popular investment scams such as pyramid schemes, Ponzi schemes, pump-and-dump schemes, and advanced fee fraud, which is more widely known as the Nigerian scam letter. The booklet also gives readers practical suggestions to help them avoid becoming victims of such schemes. With the release of the booklet, the Commission made presentations to various organisations including a few Rotary Clubs, and partnered with the Royal Bahamas Police Force in December where over 1,000 copies of the booklet were distributed to the public.

Conclusion

The year 2015 was a commemorative year as the Commission celebrated its 20th Anniversary with a series of formal events. It was also a year defined by increased initiatives and projects. More importantly, it was another year where the Commission experienced growth within its regulatory scope, as the number of each category of licensee and registrant had a net increase from 2014. It is my belief that this year on year growth signals that the regulatory scope of the Commission just may be where the future of financial services lies for The Bahamas.

As we look ahead to 2016, we have a very ambitious agenda in front of us. The Commission is equipped with a highly qualified and motivated team of professionals who are able to respond to increased demands for the upcoming year and beyond.

Management Team



Christina Rolle
Executive Director



Stephen Coakley Wells
Deputy Executive
Director



Dominic Archer
Deputy Manager, Policy
& Compliance



Alysia Archer-Colebrooke
Manager, Administration



Omara Bingham
Manager, Authorisations



Sandra Duncombe
Manager, Market
Surveillance



Bernadette Gibson
Manager, Human
Resources



Mechelle Martinborough
Legal Counsel



Stewart Miller
Deputy Manager,
Office of the Executive
Director



Altermize Missick-Stuart
Manager, Inspections



Reneldo Russell
Manager, Information
Technology



Monique Sands
Financial Controller



Gawaine Ward
Manager, Enforcement

Departments

The Administration Department is responsible for planning and overseeing general administrative support and office services. The department is also responsible for general safety requirements within the premises and maintenance of the Commission's equipment and vehicles. Standing, L-R: Jenetta Adderley, Cromwell Forbes, Marva Johnson, Jewel Bethel, Talmage Forbes, Alysia Archer-Colebrooke, Amy Neymour, Travis Phillips, Machara Tucker.

Sitting, L-R: Raquel Minns, Tarah McDonald, Tara Collie, Christine Lundy.



The Authorisations Department is responsible for processing applications for the licensing and registration of market participants under the Securities Industry Act (SIA), Investment Funds Act (IFA) and licensees under the Financial and Corporate Service Providers Act (FCSPA). Standing, L-R: Carolyn Ferguson, Eboney Wilson, Omara Bingham, Sharon Simmons.

Sitting, L-R: Marcia Meeres, Wilfred Bain, Dwynette Smith.

Not pictured: Marcia Cooper.



The Enforcement Department is primarily responsible for carrying out the Commission's disciplinary actions pursuant to the SIA, IFA and their respective regulations. The department also defends the Commission in matters where court action arises and initiates court action where deemed necessary to enforce laws administered by the Commission. The department is also responsible for investigating operations or entities (involving both companies or individuals) that are operating in The Bahamas without a licence or registration required by law.

L-R: Benson Russell, Shavonnia Cordice, Vandera Woods-Carey, Gawaine Ward.

The Human Resources Department 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. L-R: Merrilen Hepburn, Tina Wright, Bernadette Gibson, Sandra Sutherland, Colleen Collie.



The Information Technology Department is responsible for facilitating the information and electronic communication needs of the Commission. L-R: Donovan Harding, Alex Reckley, Ladashia Johnson-Burrows, Reneldo Russell, Patrick Thompson.



The Inspections Department is responsible for the supervision and on-site monitoring of market participants under the SIA and IFA and licensees under the FCSPA. Standing, L-R: Nicholette Farrington, Francisca Delva, Ricardo Hepburn, Aja Burrows, Cira Davis.

Sitting, L-R: Carla Bethel, Chiviale Gibson-Culmer, Cecil Minnis, Robyn Newton.

Not pictured: Altermize Missick-Stuart, Dennard Inniss.

The Market Surveillance Department is responsible for the off-site monitoring and supervision of market participants under the SIA and IFA and licensees under the FCSPA. It is also responsible for the review and registration of prospectuses for public offerings and private placements.

Standing, L-R: Christian Adderley, La'Donna Hudson, Youlanda Woodside, Ashley Poitier, Crista Young-Petty.

Sitting, L-R: Davina Williams, Sandra Duncombe, Thea Munroe-Albury, Kadesha Hanna.

Not pictured: Phillisa Beneby-Williams



The Office of Legal Counsel is responsible for providing legal advice to the Commission, assisting in the review and development of securities and capital markets related laws as well as financial sector legislation generally, assisting in development and review of the Commission's guidelines and policies relating to securities laws and managing matters of international cooperation. The Legal Counsel also serves as the Secretary to the Board.

L-R: Rico Russell, Shericka Penn, Mechelle Martinborough, Odecca Gibson.



The Office of the Executive Director is divided into two units, namely: Policy and Research and Policy and Compliance. The department's primary responsibilities include managing local and international stakeholder relationships, managing the Commission's investor education programme, overseeing public relations and communications, collecting, analysing and reporting statistical data, facilitating strategic planning, supporting the development of research and policy papers, monitoring international standards setters, and maintaining compliance with internal procedures and policies. Standing, L-R: Anwar Sawyer, Janet Major, Sherinn Munnings, Stewart Miller, Jasmine Williams. Sitting, L-R: Michelle Cooper, Lakeisha Rolle, Tasia Blair.

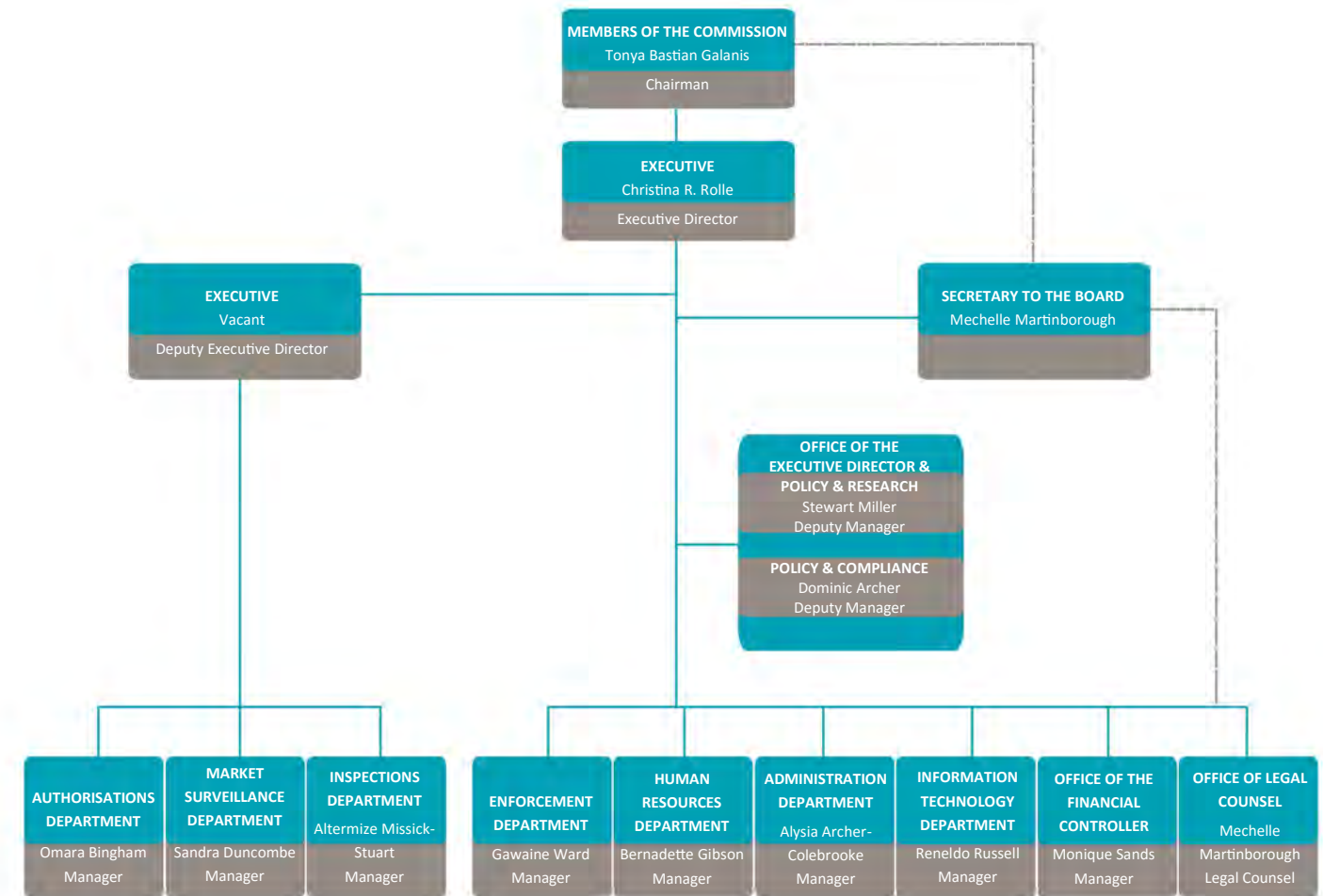


The Office of the Financial Controller is responsible for all of the Commission's financial matters, including annual budgets and the preparation of financial statements. L-R: Donell Stuart, Keri Josey, Monique Sands, Jomar Farquharson.

Organisational Overview

At 31 December 2015, the Commission was comprised of 10 departments. These included 3 supervisory departments (Authorisations, Inspections and Market Surveillance), 2 non-supervisory departments (Enforcement and the Office of Legal Counsel) and 5 operational departments (Administration, Human Resources, Information Technology, Office of the Executive Director and Office of the Financial Controller).

Securities Commission of The Bahamas organisational chart as at 31 December 2015



Staff Complement

The staff complement rose from 70 at the end of 2014 to 75 at the end of 2015, an increase of 7%. Of the 75 staff members, 67 were full-time employees and 8 were temporary/contract employees. Staff qualifications included 34 bachelor's degrees, 13 master's degrees and 9 professional designations at 31 December 2015. The staff count by department appears below.

Administration	13	Inspections	10
Authorisations	9	Market Surveillance	11
Enforcement	4	Office of the Executive Director	10
Human Resources	5	Office of Legal Counsel	4
Information Technology	5	Office of the Financial Controller	4

Organisational Updates

Appointment of Executive Team

After an extensive recruitment process, the Commission appointed Ms. Christina Rolle as Executive Director, effective 26 January 2015, and Mr. Stephen Coakley Wells as Deputy Executive Director, effective 2 January 2015.

Ms. Rolle has over 20 years of experience in the financial services industry. Over the course of Ms. Rolle's career, she has acted as Director and Deputy CEO for a prominent international private bank and held various senior managerial positions with local and other international institutions including Head of Trust and Fiduciary, Head of Risk, Compliance and Corporate Governance and Manager of Banking Services. She holds an MBA from Kellogg School of Management, Northwestern University. She has also completed Harvard Business School's Professional Leadership Development programme and Columbia University's Quantitative Studies for Finance programme.

Mr. Wells has over 20 years experience in the financial services industry with expertise in investments and portfolio management, with a special focus on Brazil. Prior to joining the Commission, Mr. Wells served as Managing Director at The Bahamas branch of a Latin American investment management firm. He has worked in top tier financial institutions in the United States and Europe managing high and ultrahigh net worth clients in Latin America and the Caribbean. Mr. Wells earned an LLB and a Master's degree in Latin American and Caribbean Studies, with a concentration in Economic Law. He is currently pursuing a Doctorate degree in Financial Services Regulation and Economic Law. He is fluent in Portuguese and speaks conversational Spanish and French.

Improving Efficiency

The Commission made continued progress on its project to enhance the management of records utilising Docuware, a digital document management system. The digitisation of all registrant information was completed in June 2015, well ahead of the September 2015 target. Phase III of the project, which involves the scanning of all non-registrant information began in October 2015, and is set to be completed by December 2016.

During 2015, the Commission implemented a number of modules to further enhance the efficiency and effectiveness of the Docuware platform. One module was software to digitise the incoming mail process; tracking mail from when it is received into the Commission, to when it has been assigned and actioned by an officer. This has boosted efficiency in the workflow of various processes. Other modules include software that utilises barcodes to assist in the more efficient processing of documents, and another to automatically index documents that have been scanned. The Docuware project will continue to progress in 2016 to assist in fostering a future paperless environment in the Commission.

In June 2015, the Commission rolled out a new cloud-based absence management system called TeamSeer. All employee leave including vacation, illness, casual days, business trips, and training are booked and approved via this paperless system, which significantly reduces manual work. The system allows for absences to be easily viewed over the entire organisation and for the generation of reports.

Additionally, the Commission's accounting software was upgraded earlier in the year. With this upgrade came various features and tools that would allow the merging of records for easier integration with other electronic information systems within the Commission.

Enhancing Staff's Technical Capacity

In 2015, the Commission continued to provide internal, local and international training to staff as well as support to those staff members undertaking professional designations and certifications. Training during the year was focused on several areas including: capital market development, investor education initiatives, enhancement of enforcement and examination tools and techniques, business continuity management, and other technical and soft skills training to improve professional knowledge and skills.

Staff members participated in training programmes with various organisations and agencies including the International Organization of Securities Commissions, the Caribbean Regional Technical Assistance Centre, the Public Company Accounting Oversight Board, The Bahamas Institute of Financial Services, the U.S. Securities and Exchange Commission, and the Ontario Securities Commission.

Capital Markets Training to Help Combat Financial Misconduct

In August 2015, the Commission facilitated a special training; the first of its kind to be organised by the Commission with the assistance of the U.S. Securities and Exchange Commission. The “Capital Markets Development and Oversight Training Programme” was held from 11 to 14 August and was geared toward increasing the technical capacity of the Commission’s staff. The Commission also made the training available to employees of other local financial services regulators and various government agencies.

The financial services regulators and government agencies who benefitted from the training included The Bahamas International Securities Exchange, the Central Bank of The Bahamas, the Insurance Commission of The Bahamas, the Compliance Commission of The Bahamas, the Financial Intelligence Unit, the Ministries of Finance and Financial Services, the Office of the Attorney General, the Office of the Data Protection Commissioner and the National Insurance Board. Special sessions were held for the judiciary and for industry representatives.



The presenters from the SEC (L-R): Senior Special Counsel for Regulatory Policy at the Office of International Affairs Kathleen Hutchinson; Assistant Director in the Office of International Affairs Kurt Gresenz; Assistant Regional Director in the Office of Broker-Dealer and Transfer Agent Examinations Thomas Murphy (Chicago Office) and Director of the SEC’s Philadelphia Regional Office Sharon Binger. Centre: Executive Director of the Commission Christina Rolle.

Health and Wellness Programme

The Commission launched its wellness programme on 13 July 2015 to reduce absenteeism and improve productivity while at the same time incentivise staff and improve morale. The Commission’s health insurance provider and its team of health professionals conducted biometric screenings for employees during the launch. During this process, they identified health issues that can be addressed via the programme. Each employee was provided with a pedometer and received a private consultation. A health station was set up inclusive of weight scale and blood pressure reading equipment in a private location where employees are free to check their statistics. The programme offers a host of incentives to keep employees motivated to achieve their goals such as:

- Corporate Gym membership discounts
- Free exercise classes
- Nutritional Lunch and Learn presentations
- Seminars on topics related to healthy living
- Healthy recipes and challenges to help employees stay on track

After six months of the programme, management was very impressed with the results and the second quarterly report reflected the same. The report indicated great improvements in the number of members achieving the recommended minimum step count of 7,000 steps per day. Currently, 42.1% of enrolled members are achieving this goal in comparison to 7.8% at the beginning of the programme. There was also a shift in the number of members with blood pressure issues as the health station reflects that 65% of the enrolled population are within the ideal blood pressure range.

Such results bode well for both the Commission and the employees as they reap the rewards in the final analysis. The real return on the investment is on the employees’ health (lower obesity levels, disability, injury, hypertension and other related diseases), while for the Commission, it is on the bottom line (reduced absenteeism, improved productivity and lower rates of healthcare claims to minimise premiums cost).

Supervisory Updates

Review of the Applications Process

Throughout 2015, the Commission continued work aimed at introducing further efficiencies into the licensing process. It is envisioned that the Commission and applicants will benefit from these improvements which will bring about a more consistent, transparent and streamlined process. To this end, the Commission drafted information booklets to provide general guidance to applicants on the requirements and process for registration and licensing under the Securities Industry Act, 2011 (SIA), the Investment Funds Act, 2003 (IFA), and the Financial and Corporate Service Providers Act, 2000 (FCSPA). Additionally, the Commission drafted guidelines to assist Unrestricted Investment Fund Administrators with the filing process for investment funds for which they license. It is expected that these guidelines will be completed and available to the public in 2016.

The Commission is also reviewing and making amendments to the application forms under the SIA, IFA and FCSPA, and making improvements to the internal application process.



L-R: Sandra Duncombe, Manager, Market Surveillance Department; Omara Bingham, Manager, Authorisations Department; Altermize Missick-Stuart, Manager, Inspections Department.

Push to have key firm positions filled

The Commission continued efforts to encourage registered firms to fill vacancies in key registration positions (CEO, compliance officer, and mandatory representatives). This exercise resulted in increased applications submitted to remediate registration deficiencies, particularly for compliance officers (in-house and outsourced).

Updates to inspections and examination programmes

In its capacity as Inspector of Financial and Corporate Services, the Commission conducted a risk rating exercise of all licensees under the FCSPA to determine the frequency in which licensees are to submit to on-site examinations. On-site examinations are conducted on licensees based on their rating, whereas in the past, on-site examinations were conducted annually. This reduces the cost to some licensees, as examinations are conducted at the expense of the licensee. Licensees categorised as 'High Risk' are required to submit to an on-site examination annually, whereas those categorised as 'Medium Risk' and 'Low Risk' are required to submit to an examination every three and five years, respectively.

The Commission also reviewed and revised the examinations programmes of the SIA, IFA and FCSPA, to ensure clarity of objectives, scope, sample size and procedures, and to take into account recommendations for combatting money laundering, the financing of terrorism and the proliferation of weapons of mass destruction by the Caribbean Financial Action Task Force (CFATF).

The work programme for clearing facilities specifically, is being finalised and is expected to be implemented in the second half of 2016.

Lastly, a new audit software was purchased during the year and will be implemented in early 2016. This software is expected to improve the efficiency and effectiveness of conducting on-site inspections.

Capital Markets Overview

International Capital Markets Review

Global activity remained sluggish in 2015. For the fifth consecutive year, growth in emerging markets and developing economies declined. However, the World Economic Outlook 2015 forecasted economic activity to pick up steam and global growth was projected to increase to 3.4% in 2016 and 3.6% in 2017.

During 2015, the United States market posted weak results despite solid fourth quarter gains. For the period, the S&P 500 gained 1.38% and the Dow Jones Industrial Average was up 0.21%. Although the Nasdaq rose to 5.73%, this result was below average annual return levels. The economic recovery continues at a slow but steady pace. At year end, the Federal Reserve (Fed) increased interest rates which reflects the Fed's confidence that the economy will continue to strengthen.

The Eurozone has endured a turbulent few years but in 2016 conditions are expected to stabilise for economic recovery. The UK economy is strong overall but presents a mixed growth picture. Its GDP rose by 0.5% in the fourth quarter of 2015. The service sector, which is a major component of the UK economy, increased by 0.7% and agriculture grew by 0.6%. However, production and construction decreased by 0.2% and 0.1%, respectively. The Bank of England issued a statement saying "the UK economy is twice as open as the US and is therefore more exposed to global weakness, dragging on exports". Due to these results, the Bank may be more hesitant to increase interest rates.

The Asian Development Bank forecasted in its Asian Development Outlook 2015 that Asia will grow 6.3% in 2015 and 2016, due to a strengthening recovery in the major industrial economies and soft global commodity prices. China, the world's second-largest economy, grew by 6.9% in 2015. The number marks its slowest growth in 25 years. The Hang Seng Index closed up 2% at 19,635.81 points, the Shanghai Composite grew by 3.22% to 3,007.74 and Nikkei 225 closed up 0.55% to 17,048.37 year-over-year. The decline in oil prices will benefit China and though the economy continues to stagnate, the lower energy costs will act as a stimulus.

Domestic Capital Market Review

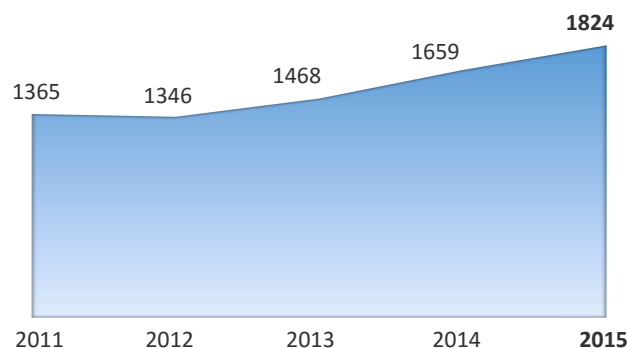
At 31 December 2015, the market was comprised of 45 primary market listings which included 20 common share listings, 13 preference share listings and 12 tranches of debt.

For the year, trading volumes and values posted an overall increase when compared to 2014. The volume of shares traded on BISX in 2015 was 3.223 million (valued at \$21.893 million) compared to 2014 when volume of shares traded was 4.027 million (valued at \$17.883 million). Additionally, the BISX All-Share Index closed at 1,823.95 (2014: 1,659.30); and market capitalisation increased to \$4.147 billion (2014: \$3.653 billion).

Capital Raising

Capital initiatives, specifically private placement offerings, decreased to \$106 million in 2015, compared to 2014 (\$158 million). Optimism was high for Initial Public Offerings (IPOs) in 2015, however, only one IPO was submitted for approval which was not finalised during the year. Consequently, there were no IPOs in 2015.

Figure 1: BISX All-Share Index at 31 December



Securities Industry Act, 2011

Registration Activity

Firms

Registration Activity in 2015

In 2015, 24 firms were approved under the Securities Industry Act (SIA), representing an increase of 11 from 2014 (see Figure 3). Categories for which these firms were approved appear in Table 1.

Table 1: Categories for which firms were approved in 2015

Category	Total
Dealing as principal or agent	2
Managing securities only	5
Advising on securities only	2
Dealing as principal or agent and Arranging deals in securities	1
Dealing as principal or agent and Managing securities	3
Dealing as agent only and Arranging deals in securities	1
Arranging deals in securities and Advising on securities	1
Managing securities and Advising on securities	6
Dealing as principal or agent, Arranging deals in securities and Advising on securities	1
Arranging deals in securities, Managing securities and Advising on securities	1
Dealing as principal or agent, Arranging deals in securities, Managing securities and Advising on securities	1
Total	24

Total Registered Firms

The total number of registered securities firms in the industry experienced a net increase of 9%, from 145 at 31 December 2014 to 158 at 31 December 2015. A year-over-year comparison of total registered firms appears in Figure 2. Table 2 shows total registered firms by category as at 31 December 2015.

Figure 2: Total number of registered firms from 2013-2015

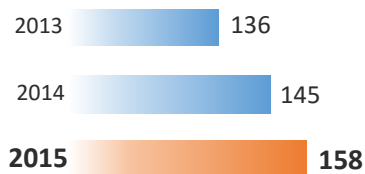


Figure 3: Total number of approvals each year from 2013-2015

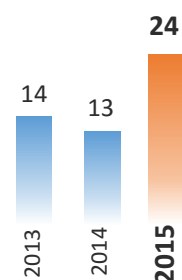


Table 2: Registered securities firms by category at 31 December 2015

Category	Total
Dealing as agent only	7
Arranging deals in securities only	1
Managing securities only	22
Advising on securities only	11
Dealing as principal or agent and Arranging deals in securities	1
Dealing as agent only and Arranging deals in securities	4
Dealing as agent only and Advising on securities	1
Arranging deals in securities and Managing securities	1
Managing securities and Advising on securities	54
Dealing as agent only, Arranging deals in securities and Advising on securities	1
Dealing as agent only, Managing securities and Advising on securities	1
Arranging deals in securities, Managing securities and Advising on securities	3
Dealing as principal or agent, Arranging deals in securities, Managing securities and Advising on securities	16
Dealing as agent only, Arranging deals in securities, Managing securities and Advising on securities	33
Clearing facilities	1
Marketplaces	1
Total	158

Individuals

Registration Activity in 2015

In 2015, 190 individuals were approved under the SIA, an increase of 45 individuals compared to the previous year. This increase was mainly in approvals for the categories of Trading and Advising Representatives. Table 3 shows the approvals of individuals by the functions they were approved to perform.

Total Registered Individuals

As at 31 December 2015, there was a total of 816 registered individuals under the SIA, a net increase of 119 individuals (17%) compared to the end of 2014 when there were 697 registered individuals.

A comparison of total registered individuals appears in Figure 4. Table 4 breaks down the number of registered individuals by category as at 31 December 2015.

Table 3: Categories for which individuals were approved in 2015

Category	Total
CEO	18
Compliance officer	47
Representative – Trading	31
Representative – Discretionary management	11
Representative – Advising	29
CEO and Representative – Trading	2
CEO and Representative – Discretionary management	5
CEO and Representative – Advising	3
Representative – Trading and Discretionary management	2
Representative – Trading and Advising	6
Representative – Discretionary management and Advising	19
CEO, Representative – Discretionary management and Advising	8
Representative – Trading, Discretionary management and Advising	8
CEO, Representative – Trading, Discretionary management and Advising	1
Total	190

Figure 4: Total number of registered individuals each year from 2013-2015

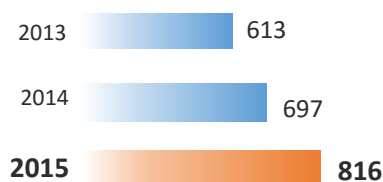


Table 4: Total number of registered individuals by category at 31 December 2015

Category	Total
CEO	117
Compliance officer	144
Representative – Trading	180
Representative – Discretionary management	102
Representative – Advising	137
CEO and Representative – Trading	7
CEO and Representative – Discretionary management	36
CEO and Representative – Advising	6
Representative – Trading and Discretionary management	9
Representative – Trading and Advising	12
Representative – Discretionary management and Advising	33
CEO, Representative – Trading and Advising	1
CEO, Representative – Discretionary management and Advising	15
Representative – Trading, Discretionary management and Advising	13
CEO, Representative – Trading, Discretionary management and Advising	4
Total	816

Inspections

The types of inspections conducted by the Commission are categorised as routine inspections and inspections ‘for-cause’. Routine inspections are inspections performed on a regular basis. Inspections ‘for-cause’ are based upon credible information coming to the Commission’s attention and are performed on an ‘as needed’ basis. In cases where banks and trust companies fall under the regulatory scope of both the Central Bank of The Bahamas (the Central Bank) and the Commission, joint inspections are conducted with the Central Bank.

A total of 24 inspections of registrants under the SIA were conducted during 2015, an increase from 12 inspections the previous year.

Of the inspections, 22 were routine, and 2 were inspections ‘for-cause’.

Table 5: Total number of inspections of registered firms by category in 2015

Category	Total
Managing securities only	4
Advising on securities only	3
Managing securities and Advising on securities	8
Dealing as agent only, Arranging deals in securities and Advising on securities	1
Dealing as principal or agent, Arranging deals in securities, Managing securities and Advising on securities	1
Dealing as agent only, Arranging deals in securities, Managing securities and Advising on securities	7
Total	24

Legislative and Regulatory Updates

Caribbean Financial Action Task Force (CFATF)

In 2015, the Commission worked to conclude its preparations for CFATF's Fourth Round Mutual Evaluation, which commenced on 30 November 2015.

In the fourth round, CFATF member countries are examined to determine their compliance with the new CFATF methodology. The methodology builds on the previous assessments by adding a new element to assess how effectively each country is combatting money laundering, the financing of terrorism and the proliferation of weapons of mass destruction.

The assessment concluded on 11 December and the findings are expected to be provided in early 2016.

The Commission continued working with the National Anti-Money Laundering Group throughout 2015 as it commenced a National Risk Assessment (NRA) with assistance from the World Bank. The Commission completed and submitted its assessments for the Securities Industry and Financial and Corporate Service Providers in November 2015.

Implementation of the SIA

The SIA and the Securities Industry Regulations, 2012 (SIR) are structured to allow for the flexibility to, primarily, tailor the regulatory framework through rules and guidelines. This structure is intended to enable the Commission to respond quickly and effectively to meet the needs of changing financial markets and evolving financial products.

The Commission completed the draft Disciplinary Rules, Securities Industry (Amendment) Bill, the Securities Industry (Amendment) Regulations and the Securities Industry Anti-Money Laundering and Countering the Financing of Terrorism Rules.

The Securities Industry (Amendment) Bill and the Disciplinary Rules have been approved by the Office of the Attorney General and are awaiting approval by the Ministry of Finance.

The Securities Industry Anti-Money Laundering and Countering the Financing of Terrorism Rules (AML/CFT Rules) and the Securities Industry (Amendment) Regulations were made effective 4 December 2015 and 8 December 2015, respectively.

The AML/CFT Rules enhance the regulatory framework for the securities industry to bring it more in compliance with international standards regarding anti-money laundering and countering the financing of terrorism. The scope of the Rules cover, inter alia, internal control requirements, a requirement related to the implementation of a risk rating framework, verification of customer identity and record keeping requirements.

The Securities Industry (Amendment) Regulations make changes to Regulation 69 and Regulation 88 of the SIR. Regulation 69 of the SIR was amended to remove the obligation from registrants to give their opinion prior to executing client-instructed transactions (buy, sell, or hold) which, in their opinion, may not be suitable for the client. Regulation 88 of the SIR was amended to give an exemption to registrants who hold a license under the Bank and Trust Companies Regulation Act (Ch. 316) from the requirement to hold client cash and assets in a designated trust account separate and apart from the firm's property.

The Commission expects another rule, the Securities Industry (Registration of Registrar and Transfer Agents) Rules, which was submitted in 2015, to be approved by the Office of the Attorney General in 2016.

A working group was convened by the Commission to discuss and obtain industry input on a proposed regulatory capital rule. The Commission has made significant progress in drafting the Regulatory Capital Rule Technical White Paper along with Regulatory Capital Rules. The White Paper and the draft Regulatory Capital Rules are expected to be ready for review by the Commission's Legislative Committee in 2016.

US Foreign Account Tax Compliance Act (FATCA)

The Bahamas and the United States of America Foreign Account Tax Compliance Agreement Act, 2015 was passed on 12 August 2015 and implements the United States FATCA regime in The Bahamas. FATCA took effect on 30 September 2015, requiring foreign financial institutions to report account information about their U.S. clients to the U.S. Internal Revenue Service.

Industry Engagement

The Commission held an industry briefing for registrants under the SIA and Investment Funds Act (IFA) on 21 July 2015 during its 20th Anniversary celebration week. The briefing highlighted ongoing issues and developments relating to the regulatory framework impacting the capital markets in The Bahamas.

The Commission launched a courtesy call initiative during the month of June to increase engagement with registrants and licensees. Representatives from the Commission received and visited firms registered under the SIA as well as Investment Fund Administrators. During the visits, registrants and licensees were introduced to contact persons in the Commission and had the opportunity to discuss their business model and operations, as well as concerns with respect to the Commission, the legislation or the industry in general. With this initiative, the Commission is also training its officers to have a better understanding of the structures, operations and potential red flags of registrants and licensees.

MILESTONES OF THE SECURITIES INDUSTRY OVER THE LAST 20 YEARS

Securities Legislation

In the late 1960's, the Government initiated efforts to draft legislation to regulate the securities and capital markets. These efforts resulted in the passing of the Securities Act, 1971, however, this Act was never made effective. The promulgation of the Securities Board Act, 1995 brought about more effective regulation of the securities industry in The Bahamas.

The Securities Board Act, 1995 created the Securities Board and provided the Board with general powers to regulate the securities industry in The Bahamas. At its outset, the Board operated under the leadership of its first chairman, Mr. T. Baswell Donaldson, CBE and its first Inspector, Mr. Jack Smith. In the early years after its establishment, the Board operated with a small staff complement, reaching 4 by 1997.

In 1999, the Securities Industry Act repealed the Securities Board Act, 1995. This Act changed the name of the Securities Board to the Securities Commission of The Bahamas and expanded the authority over the industry. The Securities Industry Act, 2011 (SIA, 2011) repealed and replaced the SIA, 1999. The SIA, 2011 enhances the enforcement powers of the Commission and redefines registrant categories for a rationalised approach to licensing based on the function and activities of registrants. The Act also provides for further operational independence of the Commission.

Bahamas International Securities Exchange (BISX)

BISX was incorporated in September 1999. On 12 May 2000, BISX successfully launched its domestic market for the listing and trading of local public companies. At the end of December 2000, 15 companies were actively trading on the exchange. In April 2001, BISX launched a Mutual Fund listing facility. This listing facility was targeted at meeting the needs of international investors, who may require the extra visibility afforded by a listing on an established securities exchange as a basis for their choice of investment vehicle.

BISX is formally registered with the Securities Commission of The Bahamas.

Membership into the International Organization of Securities Commissions (IOSCO) and Achievement of Signatory 'A' status

The Commission was granted membership into the IOSCO in 1996 and remains an ordinary member today.

With the SIA, 2011 repealing and replacing the 1999, the Commission reapplied to IOSCO for a position on Appendix 'A' of the Multilateral Memorandum of Understanding (MMOU), which was completed on 3 June 2012. Review by IOSCO's Verification Team and the work of appropriately addressing any issues raised continued in the ensuing months. On 12 December 2012, the IOSCO's Screening Group indicated to the Commission that it would recommend that the Commission be invited to become a signatory 'A' to the IOSCO MMoU. The status as MMoU signatory "A" became effective on 27 December 2012.

Investment Funds Act

Licensing and Registration Activity

Investment Fund Administrators

Investment Fund Administrators are licensed as either Unrestricted Investment Fund Administrators (UIFAs), or Restricted Investment Fund Administrators (RIFAs). UIFAs have the authority to license Professional and Specific Mandate Alternative Regulatory Test (SMART) Funds and may oversee the administration of an unlimited number of investment funds. RIFAs can only provide administrator services to investment funds licensed or registered by the Commission. The Commission may exempt an investment fund administrator from licensing if it is satisfied that the administrator would otherwise be granted a RIFA licence, will administer no more than one specified investment fund, and complies with prescribed financial requirements.

Licensing Activity in 2015

During 2015, a total of 5 investment fund administrators were licensed by the Commission. Of the 5 investment fund administrators licensed, 1 was a UIFA, 3 were RIFAs and 1 was exempted.

Licensees and Exempted Investment Fund Administrators

At 31 December 2015, there were 66 investment fund administrators, a net increase of 4 administrators from 2014. Of the total, 32 were UIFAs, 30 were RIFAs and 4 were exempted from licensing. A year-over-year comparison of total investment fund administrators appears in Table 6.

Table 6: Comparison of total investment fund administrators from 2013-2015

Category	2013	2014	2015
Unrestricted	30	32	32
Restricted	29	27 ¹	30
Exempt	3	3	4
Total	62	62 ¹	66

Investment Funds

There are three licensing categories for investment funds operating in The Bahamas: the Professional Fund, the SMART Fund and the Standard Fund.

The Professional Fund is available only to accredited investors. The SMART Fund is a flexible asset management product designed to cater to the specific needs of investors. In this category of investment fund, both the operational and regulatory structure of the investment fund are specifically designed by industry participants, subject to approval by the Commission. The Standard Fund can only be licensed by the Commission and is generally for retail investors.

There is also one registration category called Recognised Foreign Fund. Recognised Foreign Funds are investment funds listed on a prescribed securities exchange or licensed or registered in a prescribed jurisdiction.

Licensing Activity in 2015

A total of 164 Bahamas-based investment funds were licensed or registered by the Commission, or licensed by UIFAs and filed with the Commission in 2015. UIFAs filed 144 of the total new licenses, while the Commission licensed or registered another 20 Bahamas-based investment funds.

Of the investment funds licensed or registered in 2015, 45 were licensed as Professional Funds, 1 was licensed as a Standard Fund, 115 were licensed as SMART Funds and 3 were registered as Recognised Foreign Funds.

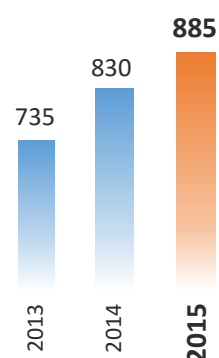
Figure 5: Total number of Bahamas-based investment funds from 2013-2015

Licensees and Registrants

The total number of licensed and registered Bahamas-based investment funds as at 31 December 2015 stood at 885, reflecting an increase of 55 funds or 7% versus the 830 funds at the end of 2014 (see Figure 5).

The increase is largely attributed to the growth in the number of registered SMART Funds, with notable gains in the Model 007 SMART Funds.

A description of the various SMART Fund models appears on the Commission's website (www.scb.gov.bs).



¹ These figures were revised and as such differ from previously reported.

Table 7: Total Bahamas-Based investment funds by category at 31 December 2015

Category	Total
Standard Funds	36
Professional Funds	234
Recognised Foreign Funds	44
SMART Fund Model 001	2
SMART Fund Model 002	156
SMART Fund Model 003	14
SMART Fund Model 004	307
SMART Fund Model 005	3
SMART Fund Model 006	1
SMART Fund Model 007	88
Total	885

The number of Professional, SMART, Standard and Recognised Foreign Funds as at 31 December 2015 appears in Table 7.

Investment funds that do not meet the criteria to be categorised as Bahamas-based investment funds but have some nexus to The Bahamas are referred to as non-Bahamas-based investment funds in the IFA. These investment funds must appoint a representative approved by the Commission. Four representatives of non-Bahamas-based investment funds were approved in 2015 bringing the overall number of representatives registered with the Commission at 31 December 2015 to 13, a net increase of 2 from year end 2014.

Examinations

A total of 7 examinations of licensees under the IFA were conducted during 2015.

Of these examinations, 6 were routine and 1 was conducted jointly with the Central Bank.

Legislative and Regulatory Updates

Amendment to Investment Funds Legislation

The Investment Funds (Amendment) Regulations were made effective on 30 November 2015. These regulations were required in order to complete the necessary regulatory amendments for the ICON structure.

In 2015, the Commission continued work aimed at overhauling the IFA. The Commission is in the process of making the necessary arrangements to source potential consultants to assist in the development of the new legislation.

Alternative Investment Fund Managers Directive (AIFMD)

AIMFD is a directive of the European Parliament and Council. Its aim is to create a comprehensive framework for the regulation of alternative investment fund managers (AIFMs) within the EU. The Commission signed a Memorandum of Understanding (MoU) with Spain in 2015, bringing the total MoUs entered into by the Commission to 27. The MoUs allow Bahamas-based AIFMs to manage and market alternative investment funds (AIFs) in markets supervised by co-signatory regulators. The MoUs also allow European based fund managers to manage and market Bahamas based AIFs in markets where the fund managers' European regulator has entered into an AIFMD MoU with the Commission.

CFATF

See update on page 24.

FATCA

See update on page 24.

Industry Engagement

The Commission held an industry briefing for registrants under the IFA and Securities Industry Act (SIA) on 21 July 2015 during its 20th Anniversary celebration week. The Commission also launched a courtesy call initiative during the month of June to increase engagement with registrants and licensees. See Industry Engagement on page 24.

MILESTONES OF THE INVESTMENT FUNDS INDUSTRY OVER THE LAST 20 YEARS

Mutual Funds Act, 1995

The Mutual Funds Act, 1995 came into force in November 1995, providing specific powers in relation to mutual funds, and vested the Securities Board with responsibility for its administration. This Act was later replaced by the Investment Funds Act, 2003 (IFA).

Investment Funds Act, 2003 (IFA)

During 2003, the Commission focused on improving its own legislation by proposing amendments to the Securities Industry Act, 1999 and completing the process for the repeal of the Mutual Funds Act, 1995. It secured the enactment of IFA on 15 December 2003. The IFA provides a more modern regulatory framework in which investment funds may operate in and from The Bahamas.

The Act also requires that all investment funds, operating in or from this jurisdiction come under the regulatory oversight of the Commission.

SMART (Specific Mandate Alternative Regulatory Test) Funds

The IFA also introduced the SMART Fund concept—a flexible structure which may be tailored to particular investment objectives and designed to facilitate a timelier authorisation process. The new category of SMART Funds does not have pre-determined parameters or characteristics. It is intended to allow industry participants flexibility in the development of structuring vehicles to be used as investment funds.

When the SMART Fund concept was introduced in 2003 via the Investment Funds (SMART Fund) Rules, 2003, it premiered with four models: Model 001, Model 002, Model 003 and Model 004. Since 2003, three additional SMART Fund Models have been introduced: Model 005 in 2005, Model 006 in 2009 and Model 007 in 2012.

There are currently 571 SMART Funds licensed.

Investment Condominium (ICON) Act, 2014

With the support of the Commission and various government agencies, a team of private-sector industry experts led by The Bahamas Financial Services Board developed the Investment Condominium Act, 2014 (ICON Act), which became effective on 19 September 2014. This Act brings an innovative investment structure referred to as the 'ICON' to market. Investment funds structured as ICONs would be licensed and regulated by the Commission.

The ICON is a contractual relationship subsisting between one or more participants pooling assets for the purpose of operating as a Professional Fund, a Standard Fund or any of the existing SMART Fund models under the IFA.

Financial and Corporate Service Providers Act

Licensing Activity

Licensing Activity in 2015

An applicant under the Financial and Corporate Service Providers Act (FCSPA) may be licensed as an individual, unincorporated body, partnership, or company. During 2015, there were 16 applicants approved under the FCSPA, representing a decrease of 20% from the 20 approvals granted in 2014.

Active Licensees

The number of active licensees at 31 December 2015 increased to 322, a net increase of 11 registrants from 31 December 2014. Yearend totals reflect new licensees, closures and any revocations during the year.

At 31 December 2015, 43 licensees were performing financial and corporate services, 37 were performing financial services only and 242 were performing corporate services only (see Figure 8).

Examinations

For Financial and Corporate Service Providers (FCSPs), routine examinations are conducted by the Inspector's Agents—appointed by the Commission in its capacity as the Inspector. Agents are members of The Bahamas Institute of Chartered Accountants (BICA) in good standing who are appointed by the Inspector to act in that capacity.

During 2015, there were 40 examinations of FCSPs. There were 38 examinations conducted by Agents and 2 conducted by the Inspector, compared to 2014 when there were 172 conducted by Agents and 7 by the Inspector. The decrease was primarily as a result of the risk rating exercise conducted by the Commission that reduced the frequency that some licensees submit to on-site examinations.

Of the 40 examinations, 24 were of companies, 9 were of individuals, 5 were of partnerships and 2 were of unincorporated bodies.

Legislative and Regulatory Updates

CFATF

See update on page 24.

FATCA

See update on page 24.

Agent Training

The Inspector provides annual training to agents authorised to conduct on-site examinations on behalf of the Inspector. Agent training was held on 24 February and 3 March 2015 in New Providence and Grand Bahama, respectively. The purpose of the annual agent training is to demonstrate how to execute the on-site examination of a FCSP and to advise agents of any changes to the FCSP work programme. The Inspector's goal is to ensure that agents are completing examinations at the Inspector's standard.

Figure 6: Total number of approvals each year from 2013-2015

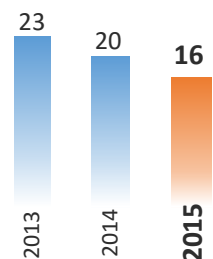


Figure 7: Total number of licensees from 2013-2015

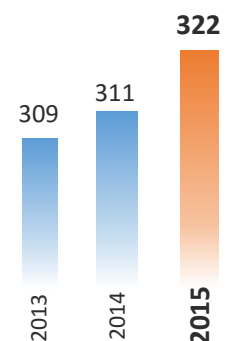
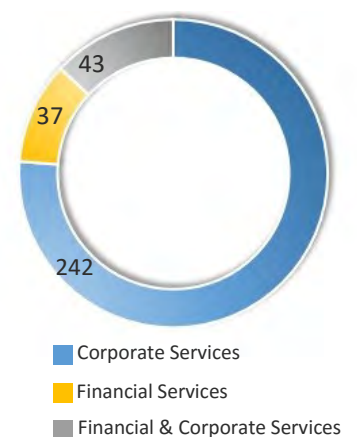


Figure 8: Comparison of services provided as at 31 December 2015



Industry Engagement

For financial and corporate service providers (FCSPs), the Inspector hosted industry briefings in Grand Bahama and New Providence on 3 March and 5 March, respectively. The briefings highlighted ongoing issues and developments relating to the financial and corporate service industry. The topics addressed at the briefings highlighted information pertinent to the operations of FCSPs including services requiring licensing, the registration process for MLROs, legislative developments, continuing obligations, the appointment of Agents and the recently conducted risk-rating exercise. The Inspector also provided updates in relation to the pending regulatory oversight of second hand dealers of precious metals and stones pursuant to the Financial Transaction Reporting (Amendment) Act of 19 November 2014. The Inspector is currently looking to develop a supervision framework for the oversight of second hand dealers of precious metals and stones.

MILESTONES OF THE FINANCIAL AND CORPORATE SERVICE PROVIDERS SECTOR

Effective 1 January 2008, the Commission was named Inspector of Financial and Corporate Services. Prior to this, the Registrar General held the post of Inspector.

The concept of financial and corporate service providers regulation arose, in most part, from a review by the Organisation for Economic Co-operation and Development (OECD). A suite of legislation was passed in 2000 which included the Financial and Corporate Service Providers Act, Ch. 369 (FCSPA). The focus of the FCSPA is to ensure that there is oversight of corporate services as well as financial service activities that are not captured under the Securities Industry Act and the Investment Funds Act and who do not fall under the supervision of any of the other financial services regulatory agencies in The Bahamas.

Other legislation that are a part of the Financial and Corporate Service Providers legislative regime are :

Financial and Corporate Service Providers (General) Regulations, 2001

Financial and Corporate Service Providers (Licence) Order, 2001

Financial and Corporate Service Providers (Amendment) Act, 2008

Financial and Corporate Service Providers (Licence) (Amendment) Order, 2009

International Requests Overview

Pursuant to Sections 34 and 36 of the Securities Industry Act, 2011 (SIA), the Commission is authorised to exchange information with its international counterparts for administrative, supervisory and enforcement purposes including criminal proceedings related to securities laws. Being signatory 'A' to the International Organization of Securities Commissions (IOSCO) Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (MMoU), where the Commission receives a request from an international counterpart that is also an 'A' signatory to the MMoU, information is exchanged in accordance with the terms of the MMoU. The Commission evaluates every request received to ensure that it meets minimum information sharing requirements, as set out in legislation and where applicable, the terms of the IOSCO MMoU.

International requests for information must be related to securities laws and are mainly in relation to administrative and supervisory actions of overseas regulatory authorities. All requests submitted to the Commission for 2015 were made by IOSCO Members and thus were made pursuant to the MMoU. In 2015, 21 requests were received and 18 requests were brought forward from previous periods. Of the 21 requests received, 1 originated from the United Kingdom, 8 from the United States, 4 from Canada, 5 from France and 3 from other jurisdictions.

During 2015, 17 requests were closed. One request was "stayed" during the year because the request was deficient in terms of information required under the IOSCO MMoU.

At the end of 2015, 21 matters remained open.

Enforcement

During 2015, the proposed Securities Industry (Disciplinary Proceedings) (Hearings and Settlements) Rules, 2015 (the Rules) were sent to the Ministry of Finance and await enactment through the passing of the SIA Bill 2015, which will allow the Rules to be implemented. As a result, no administrative matters were addressed, pending the implementation of the Hearing Panel via the Rules.

However, during the year one new matter was opened and successfully closed, resulting in the largest penalty in the Commission's history concerning a settlement against a person. As at 31 December 2015, 17 matters remained open, of which 11 were administrative and 6 involved litigation.

The Commission also issued four public notices to warn the general public to be wary of doing business with the following entities: Money Finders, BFD Financial Services, Greenkey Securities and Global Proprietary Traders. Money Finders held itself out as a money lender but is not licensed by the Commission. The latter three held themselves out as securities investment advisors, but none of the entities are registrants of the Commission.

The full text of public notices and press releases issued by the Commission can be found on the Commission's website www.scb.gov.bs.

Affiliations and Memberships

As a part of its commitment to investor protection and the development of the local securities and capital markets, the Commission is a member of various international, regional and local organisations. In addition to the organisations listed below, the Commission is also a member of the Offshore Group of Collective Investment Scheme Supervisors (OGCISS) and the Group of Financial Services Regulators (GFSR).

International Organization of Securities Commissions (IOSCO)

Representatives of the Commission attended IOSCO's 40th Annual Conference held from 14-17 June in London, U.K. The conference was focused on significant challenges facing global financial markets. The central theme for the conference was that of technological and regulatory change, including societal changes in expectation regarding financial services. Commission representatives attended various workshops during the conference which focused on Credible Deterrence and Consumer Vulnerability.



Tonya Bastian Galanis, Chairman (right), and Christina Rolle, Executive Director (left) represent the Securities Commission of The Bahamas at the IOSCO London Conference 2015.

Council of Securities Regulators of the Americas (COSRA)

Representatives of the Commission attended two COSRA meetings during the first quarter and the last quarter of 2015. The chairman and deputy executive director represented the Commission at the first meeting held in Mexico City, 22-23 January. Corporate governance, regional priorities and the diagnosis and recommendations for the development of the capital markets and cross border investments were among the topics discussed.

The second meeting was held in Kingston, Jamaica from 12-13 November and was attended by the Commission's executive director and legal counsel. This meeting continued discussions from the first meeting and outcomes from IOSCO's Annual conference in earlier in June.

Caribbean Financial Action Task Force (CFATF)

Representatives of the Commission attended the Caribbean Financial Action Task Force (CFATF) XLI Plenary Meeting held in Port of Spain, Trinidad (which is the permanent seat of the organisation) from 23-29 May. The meeting addressed a number of topics including the challenges of the fourth round, financial inclusion, and third party reliance among others. Technical assistance opportunities for member jurisdictions were also discussed.

Caribbean Group of Securities Regulators (CGSR)

Representatives of the Commission attended the 11th Annual CGSR conference and workshop in St. Ann, Jamaica from 22-24 April. The theme for the conference was “Capital Market Development and the Role of Financial Inclusion”. During the conference, speakers and workshop facilitators covered topics deemed relevant to the development of the capital market, including current affairs affecting the securities industry.

The Commission will chair CGSR and host the annual conference and general meeting for the next two years. The Bahamas’ appointment as Chair and Secretariat until 2017 was unanimously supported and agreed at the CGSR meeting in Jamaica. The Commission’s executive director welcomed the chairmanship saying it presents an opportunity to demonstrate The Bahamas’ ongoing commitment to the development of the securities and capital markets.

The 12th Annual CGSR conference is scheduled to be held in Nassau, Bahamas during the first half of 2016.

Investor Education

Investor protection is a core objective of the Commission and investor education plays a key role in the Commission's investor protection efforts. In its mandate, the Commission is tasked with the responsibility to *"promote an understanding by the public of the capital markets and its participants and the benefits, risks and liabilities associated with investing."* – Securities Industry Act 2011 (SIA), Section 12 (e). The Commission's investor education efforts are mainly focused on educating and empowering present and future investors to make informed investment decisions. During 2015, investor education initiatives included:

High School & Pre-College Initiatives

The Commission was pleased to accept the invitation from CFAL, a registered investment firm, to deliver presentations to schools participating in the Junior Investor Education Programme (JIEP). The programme challenges participating schools to an investing competition where students trade using a virtual portfolio of securities available in the Bahamian capital markets.

Through CFAL's JIEP, the Commission provided information on key investing concepts to over 150 students across 9 schools in New Providence. The information was also distributed to participating schools in the Family Islands, such as Grand Bahama and Andros.

The Commission hosted grade twelve students from Junior Achievement Bahamas to a Job Shadow day on 11 February. Students had the opportunity to learn about the capital markets, investing and investment funds from a regulatory perspective.

The Commission participated in the Ministry of Education, Science & Technology's National Career Awareness Month Career Fair 2015 for Primary and Secondary School students on 25-27 February. The Commission used this opportunity to share key concepts about saving, investing and human resource opportunities available at the Commission.

On 3 March, the Commission hosted 15 students from the Bahamas Institute of Financial Services Grade 12 student programme. Students were given a tour of the Commission and introduced to managers of each department. Each manager gave an in depth look at the operations and responsibilities of their respective department.

The Release of the 'Tips to Avoid Fraud and Scams' Booklet

The Commission published a booklet, "Tips to Avoid Fraud and Scams", which addresses the nature of popular investment scams such as pyramid schemes, Ponzi schemes, pump-and-dump schemes, and advanced fee fraud. The booklet outlines practical ways to help investors avoid becoming victims to fraudulent activity.

Commission Executive Director Christina Rolle made presentations to the Rotary Clubs of New Providence and East Nassau about avoiding investment fraud and scams. Ms. Rolle presented copies of the newly issued "Tips to Avoid Fraud and Scams" booklets to the members of each club.



Cover of the 'Tips to Avoid Fraud and Scams' booklet..



Executive Director of the Commission, Christina Rolle, presents to the Rotary Club of East Nassau sharing tips, red flags, and information on how to avoid investment fraud and scams on 20 October. Pictured (L-R): President of the Rotary Club of East Nassau, Jason Robertson, Member, Brent Symonette and Christina Rolle.

The Commission joined the Royal Bahamas Police Force Crime Prevention team in its effort to educate the Bahamian public on crime and ways to avoid fraud on 19 December 2015 at the Mall at Marathon. Commission representatives distributed over 1000 copies of the newly issued “Tips to Avoid Fraud and Scams” booklets to the public. The booklets can also be found on the Commission’s website (scb.gov.bs).



Pictured are Commission representatives, Stewart Miller and Crista Young-Petty (centre), along with members of the Royal Bahamas Police Force.

Other Initiatives

The Commission continued to participate in a quarterly consumer advocacy insert, ‘The Consumer Voice’, in a leading newspaper. ‘The Consumer Voice’ is a publication developed by the Consumer Welfare Unit of the Ministry of Labour & National Insurance. Throughout 2015, the Commission published articles on the following topics: ‘Making Your Money Work for You’, ‘Where to Turn for Investment Help’, ‘Don’t Be a Victim of Investment Fraud’, and ‘Getting Serious About Retirement’.

Training

Representatives of the Commission attended IOSCO’s Investor Education Training Programme in Madrid, Spain from 20-23 October. The theme for the seminar was “Investor Education and Protection: The Major Challenges Ahead”. Topics for this programme included strategies for enhancing, and challenges facing investor education, the role of regulators in designing and implementing investor education and financial literacy programmes and working with the private sector on investor education and financial literacy issues.



Attendees of the 2015 IOSCO Seminar Training Program, Madrid, Spain, 20-23 October 2015

20th Anniversary Celebrations

Celebration Highlights

The Commission's 20th anniversary was on 20 June 2015. The week of 19–25 July 2015 was declared "Securities Commission Week" by the Right Honourable Perry Christie, Prime Minister of The Commonwealth of The Bahamas. Celebrations included a spread in the local dailies outlining the Commission's key achievements over the past 20 years, a church service and brunch, a T-shirt and jeans day, and a blood drive where staff donated 30 pints of blood. A grand cocktail reception for Board members, staff, industry stakeholders, and various individuals who contributed to the development of the Commission culminated the 20th anniversary celebration week.

Brunch at Graycliff Restaurant on Sunday 19 July 2015



Staff members enjoying brunch at Graycliff Restaurant following a church service at Christ Church Cathedral.

Staff T-shirt and Jeans Day on Friday 24 July 2015



Staff members dressed in "Commission T-shirts" for T-shirt and Jeans Day.

Blood Drive on Friday 31 July 2015



Staff members donated a total of 30 pints of blood through Friends of the Blood Bank.

Cocktail Reception on Thursday 23 July 2015





Captions for cocktail reception photos (L-R):

Photo 1: Mrs. Tonya Bastian Galanis – Commission's Chairman, Mrs. Yolande Donaldson – wife of former Commission Chairman Timothy B. Donaldson, Ms. Sandra J. Knowles - former Commission Executive Director

Photo 2: Ms. Christina Rolle – Commission's Executive Director, Mr. Gowon Bowe – Partner at PwC

Photo 3: Mrs. Tonya Bastian Galanis, Mr. Ryan Pinder – Partner at Graham Thompson & Co., Ms. Christina, Mr. John Rolle – at time of photo Financial Secretary, Ministry of Finance

Photo 4: Mrs. Tonya Bastian Galanis, Ms. Christina Rolle, Mr. Stephen Coakley Wells, Ms. Mechelle Martinborough, Mrs. Bernadette Gibson, Mrs. Omara Bingham, Mrs. Altermize Missick-Stuart, Ms. Sandra Duncombe, Mr. Gawaine Ward, Mr. Reneldo Russell, Mr. Stewart Miller

Photo 5: Mr. Kenwood Kerr – CEO and CIO at Providence Advisors Limited, Ms. Christina Rolle, Mr. Kevin Burrows – Partner & CIO at Adi Dassler International Family Office, Ms. Arinthia Komolafe – Commission Board Member

Photo 6: Mrs. Wendy Craigg – at time of photo Commission Board Member and Governor of the Central Bank of The Bahamas, Mrs. Tonya Bastian Galanis, Mr. James Smith – former Governor of the Central Bank of The Bahamas, Mr. Julian Francis – former Governor of the Central Bank of The Bahamas

Photo 7: Mr. Anthony Ferguson – Principal at CFAL, Mrs. Tonya Bastian Galanis, Mr. Calvin Knowles – former Commission Chairman, Ms. Christina Rolle, Ms. Aliya Allen – Partner at Graham Thompson & Co.

Photo 8: His Excellency Paul Andy Gomez – Bahamas Ambassador to China, Ms. Christina Rolle, Mrs. Tonya Bastian Galanis, Mr. Philip Galanis – Managing Partner at HLB Galanis & Co., Mrs. Yolande Donaldson – wife of former Commission Chairman Timothy B. Donaldson, Mr. Reece Chipman – Consulting Principal at SMS Chartered Accountants

Photo 9: Mr. Maxwell Poitier, Mrs. Eve Poitier – former Commission Board Member, Mr. Hillary Deveaux – former Commission Executive Director

Photo 10: Mrs. Janet Major, Mr. Anwar Sawyer, Ms. Michelle Cooper, Ms. Sherinn Munnings, Mr. Stewart Miller, Ms. Jasmine Williams, Mr. Keyshawn Bonamy, Ms. Lakeisha Rolle, Ms. Tasia Blair

Financial Summary

The audited financial statements that appear on the following pages in this Annual Report represent the financial position of the Commission as at 31 December 2015, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards. Corresponding figures are shown for the year ended 31 December 2014.

Income is mainly generated from fees charged to licensees, registrants and applicants under the Securities Industry Act, 2011 (the SIA), the Investment Funds Act, 2003, and the Financial and Corporate Services Providers Act, 2000 and funding from the Government of The Bahamas (the Government).

In 2015 the Commission was able to fully fund its operations via fees collected from licensees and registrants. Fee income increased by 14.9% from \$4.84 million to \$5.57 million. The main driving factors were increases in income from SIA and IFA licensees and registrants of \$0.25 million and of \$0.17 million, respectively. There was also a significant increase in penalty fees from \$0.03 million to \$0.3 million.

As predicted last year, the Commission incurred increased expenditure to help achieve its strategic objectives. Overall, expenses increased by 22.3% from \$4.70 million to \$5.74 million. Expenditure will continue to increase in the short to medium term as the Commission advances previously deferred projects including revamp of legislation, information technology projects and recruitment of human resources in key areas. It is also anticipated that operating expenditure will surpass projected fee income and funding from Government subvention would be required to assist in the advancement of these projects.

Despite the increase in expenditure, the Commission's financial performance and financial position remained positive with net income of \$0.25 million and a net surplus of \$0.77 million.

THE SECURITIES COMMISSION OF THE BAHAMAS

**Financial Statements
31 December 2015**





INDEPENDENT AUDITORS' REPORT

To the Members of the Securities Commission of The Bahamas

We have audited the accompanying financial statements of the Securities Commission of The Bahamas, which comprise the statement of financial position as of 31 December 2015, and the statements of comprehensive income, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Securities Commission of The Bahamas as of 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

A handwritten signature in blue ink that reads 'PricewaterhouseCoopers'.

**Chartered Accountants
Nassau, Bahamas**

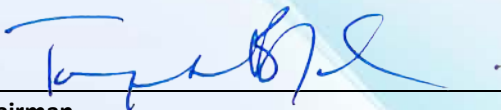
29 June 2016

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

Statement of Financial Position
As of 31 December 2015
(Expressed in Bahamian dollars)

	2015	2014
	\$	\$
ASSETS		
Cash on hand and at banks	1,475,836	517,256
Term deposits (Note 3)	2,586,150	2,540,220
Accounts receivable (Note 4)	92,063	28,425
Prepaid expenses and other assets	30,741	44,932
Plant and equipment (Note 5)	592,726	459,138
Total assets	4,777,516	3,589,971
LIABILITIES		
Accounts payable and accrued expenses	522,004	446,996
Other liabilities	197,519	-
Advance from the Consolidated Fund	150,000	150,000
Deferred income (Note 6)	3,136,244	2,471,944
Total liabilities	4,005,767	3,068,940
NET ASSETS	771,749	521,031
REPRESENTED BY:		
Surplus	771,749	521,031
Special purpose reserve (Note 7)	-	-
	771,749	521,031

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


Chairman


Director

17 May 2016
Date

The Securities Commission of The Bahamas

**Statement of Comprehensive Income
For the Year Ended 31 December 2015
(Expressed in Bahamian dollars)**

	2015	2014
	\$	\$
INCOME		
Fee income		
Securities industry licensees and registrants	2,058,514	1,808,383
Investment funds	1,886,894	1,718,191
Investment fund administrators	778,333	762,700
Financial and corporate service providers	523,792	501,126
Penalties	298,104	28,652
Securities exchange	10,000	10,000
Examinations	4,175	4,090
Public offerings	-	2,000
Other	7,500	9,750
	<hr/>	<hr/>
Total fee income	5,567,312	4,844,892
Government subvention (Note 6)	109,825	42,574
Interest income	77,171	61,851
Other income	239,104	207,083
	<hr/>	<hr/>
Total income	5,993,412	5,156,400
	<hr/>	<hr/>
	2015	2014
	\$	\$
EXPENSES		
Salaries, wages and employee benefits (Note 8)	4,135,421	3,487,630
Rent	415,241	407,945
Training and conferences	272,142	129,646
Office	186,698	106,415
Depreciation (Note 5)	162,234	128,260
Utilities and property charges	147,653	167,775
Professional fees	146,669	134,176
Advertising and public relations	55,644	25,222
Repairs and maintenance	54,077	41,269
Provision for doubtful accounts (Note 4)	45,848	1,369
Printing and publications	40,888	13,966
Membership fees	29,877	29,957
Bank charges	16,483	8,651
Legislative initiatives	14,230	8,896
Investor education	9,463	138
Interest expense	-	30
Miscellaneous	10,126	4,371
	<hr/>	<hr/>
Total expenses	5,742,694	4,695,716
	<hr/>	<hr/>
Net income and total comprehensive income	250,718	460,684
	<hr/>	<hr/>

The Securities Commission of The Bahamas

Statement of Changes in Net Assets
For the Year Ended 31 December 2015
 (Expressed in Bahamian dollars)

	Surplus \$	Special Purpose Reserve \$	Total \$
Balance as of 1 January 2014	<u>60,347</u>	<u>-</u>	<u>60,347</u>
Total comprehensive income	<u>460,684</u>	<u>-</u>	<u>460,684</u>
Balance as of 31 December 2014	<u>521,031</u>	<u>-</u>	<u>521,031</u>
Balance as of 1 January 2015	<u>521,031</u>	<u>-</u>	<u>521,031</u>
Total comprehensive income	<u>250,718</u>	<u>-</u>	<u>250,718</u>
Balance as of 31 December 2015	<u>771,749</u>	<u>-</u>	<u>771,749</u>

The accompanying notes are integral part of these financial statements.

The Securities Commission of The Bahamas

Statement of Cash Flows
For the Year Ended 31 December 2015
(Expressed in Bahamian dollars)

	2015	2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	250,718	460,684
Adjustments for:		
Interest income	(77,171)	(61,851)
Gain on disposals of plant and equipment	(21,290)	-
Depreciation	162,234	128,260
Provision for doubtful accounts	45,848	1,369
Interest expense	-	30
Interest received	54,261	52,845
(Increase)/Decrease in operating assets		
Accounts receivable	(92,486)	34,653
Prepaid expenses and other assets	14,191	(25,172)
Increase/(Decrease) in operating liabilities		
Accounts payable and accrued expenses	75,008	99,623
Other liabilities	197,519	-
Deferred income	664,300	2,042,476
Net cash from operating activities	<u>1,273,132</u>	<u>2,732,917</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net increase in term deposits	-	(1,000,000)
Purchases of plant and equipment	(292,322)	(265,416)
Proceeds on disposals of plant and equipment	790	-
Net cash used in investing activities	<u>(291,532)</u>	<u>(1,265,416)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	-	(30)
Net cash used in financing activities	<u>-</u>	<u>(30)</u>
Net increase in cash and cash equivalents	981,600	1,467,471
Cash and cash equivalents as of beginning of year	<u>2,048,470</u>	<u>580,999</u>
Cash and cash equivalents as of end of year	<u><u>3,030,070</u></u>	<u><u>2,048,470</u></u>

The Securities Commission of The Bahamas

Statement of Cash Flows
For the Year Ended 31 December 2015
(Expressed in Bahamian dollars)
(Continued)

	2015 \$	2014 \$
CASH AND CASH EQUIVALENTS		
Cash on hand and at banks	1,475,836	517,256
Term deposits	2,586,150	2,540,220
Term deposits with contractual maturities greater than three (3) months	(1,022,315)	(1,000,000)
Accrued interest	(9,601)	(9,006)
	<u>3,030,070</u>	<u>2,048,470</u>

The accompanying notes are integral part of these financial statements.

The Securities Commission of The Bahamas

Notes to the Financial Statements 31 December 2015

1. General Information

The Securities Commission of The Bahamas (the Commission) is established, as a body corporate, under the Securities Industry Act, 2011 (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 Charlotte House, Shirley and Charlotte Streets, 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 Act, 2003; 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, 2000, and related regulations.

2. Summary of Significant 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 International Financial Reporting Standards (IFRS), and under the historical cost convention. The preparation of financial statements in accordance with IFRS requires management to exercise its judgment in the process of applying its 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 Notes 2(d) and 2(g).

New standards, amendments and interpretations adopted by the Commission

Standards and amendments and interpretations to published standards that became effective for the Commission's financial year beginning on 1 January 2015 were not relevant to the Commission's operations and accordingly did not impact the Commission's accounting policies or financial statements.

New standards, amendments and interpretations not yet adopted by the Commission

With the exception of IFRS 9 *Financial Instruments* (IFRS 9), IFRS 15 *Revenue from Contracts with Customers* (IFRS 15) and IFRS 16 *Leases* (IFRS 16), the application of new standards and amendments and interpretations to existing standards that have been published but are not yet effective are not expected to have a material impact on the Commission's accounting policies or financial statements in the financial period of initial application.

The Securities Commission of The Bahamas

Notes to the Financial Statements

31 December 2015

(Continued)

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

New standards, amendments and interpretations not yet adopted by the Commission (continued)

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities, and replaces the guidance in IAS 39 *Financial Instruments: Recognition and Measurement* (IAS 39) that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income. The determination is made at initial recognition, and the basis of classification depends on the Commission's business model for managing its financial assets and the contractual cash flow characteristics of the financial asset. In addition, IFRS 9 will require the impairment of financial assets to be calculated using an expected credit loss model that replaces the incurred loss impairment model required by IAS 39. For financial liabilities, there are no changes to classification and measurement, except for the recognition of changes in own credit risk in other comprehensive income for financial liabilities designated at fair value through profit or loss. The Commission has not yet assessed the full impact of adopting IFRS 9, which is effective for financial periods beginning on or after 1 January 2018.

IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with its customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard is effective for annual periods beginning on or after 1 January 2018, and replaces IAS 18 *Revenue* and IAS 11 *Construction Contracts* and related interpretations. The Commission has not yet assessed the full impact of adopting IFRS 15.

IFRS 16 defines a lease as a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration. Lessees are required to recognise a lease liability reflecting future lease payments and a 'right-of-use' asset for most leases, with an optional exemption for certain short-term leases and leases of low value assets. The asset will be amortised over the term of the lease, and the lease liability measured at amortised cost. Accounting for lessors does not substantially differ from IAS 17 *Leases*. The Commission has not yet assessed the full impact of adopting IFRS 16, which is effective for financial periods beginning on or after 1 January 2019.

(b) 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.

(c) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand, demand deposits with banks, and term deposits with banks with original contractual maturities of three months or less.

Notes to the Financial Statements

31 December 2015

(Continued)

2. Summary of Significant Accounting Policies (Continued)

(d) Accounts receivable

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the Commission will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the impairment loss is the difference between the asset's carrying amount and the present value of future cash flows, discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. When an account receivable is uncollectible, it is written off against the related allowance account. Recoveries of amounts previously written off are credited directly to the statement of comprehensive income.

(e) Plant and equipment

Plant and equipment are carried at historical cost, less accumulated depreciation. 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 date of the statement of financial position 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.

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

The Securities Commission of The Bahamas

Notes to the Financial Statements

31 December 2015

(Continued)

2. Summary of Significant Accounting Policies (Continued)

(f) Accounts payable

Accounts payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(g) Income and expense recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when amounts can be reliably measured and it is probable that future economic benefits will flow to the Commission.

Revenue from licensing activities is recognised over the period of the applicable licence, with amounts collected in relation to future financial periods being deferred in the statement of financial position. Licence application fees are recognised upon completion of the application evaluation process. All licence fees are for fixed amounts.

Appropriations by 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.

(h) 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.

(i) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

The Securities Commission of The Bahamas

Notes to the Financial Statements

31 December 2015

(Continued)

2. Summary of Significant Accounting Policies (Continued)

(j) 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.

(k) Corresponding figures

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

3. Term Deposits

The term deposits earn interest of 2.00% to 2.25% per annum and mature within three (3) months of the year end.

4. Accounts Receivable

	2015 \$	2014 \$
Investment funds and investment fund administrators	52,064	33,648
Financial and corporate service providers	49,765	20,215
Securities industry licensees and registrants	30,272	19,017
Other	<u>130,071</u>	<u>79,806</u>
	262,172	152,686
Provision for doubtful accounts	<u>(170,109)</u>	<u>(124,261)</u>
Total	<u>92,063</u>	<u>28,425</u>

Movements in the provision for doubtful accounts comprise:

	2015 \$	2014 \$
Opening balance	124,261	122,892
Provision for doubtful accounts	<u>45,848</u>	<u>1,369</u>
Closing balance	<u>170,109</u>	<u>124,261</u>

The Securities Commission of The Bahamas

Notes to the Financial Statements
31 December 2015
(Continued)

5. Plant and Equipment

	Computer Equipment \$	Furniture and Fittings \$	Vehicles \$	Leasehold Improvements \$	Total \$
For the year ended 31 December 2015					
Cost					
1 January 2015	934,802	555,805	79,703	53,830	1,624,140
Additions	287,181	8,641	-	-	295,822
Disposals	(8,841)	-	(44,995)	-	(53,836)
31 December 2015	1,213,142	564,446	34,708	53,830	1,866,126
Accumulated depreciation					
1 January 2015	523,662	528,631	58,879	53,830	1,165,002
Depreciation expense	141,579	13,713	6,942	-	162,234
Disposals	(8,841)	-	(44,995)	-	(53,836)
31 December 2015	656,400	542,344	20,826	53,830	1,273,400
Net book value as of 31 December 2015	556,472	22,102	13,882	-	592,726
For the year ended 31 December 2014					
Cost					
1 January 2014	679,608	545,583	79,703	53,830	1,358,724
Additions	255,194	10,222	-	-	265,416
31 December 2014	934,802	555,805	79,703	53,830	1,624,140
Accumulated depreciation					
1 January 2014	441,591	510,847	42,938	41,366	1,036,742
Depreciation expense	82,071	17,784	15,941	12,464	128,260
31 December 2014	523,662	528,631	58,879	53,830	1,165,002
Net book value as of 31 December 2014	411,140	27,174	20,824	-	459,138

The Securities Commission of The Bahamas

Notes to the Financial Statements

31 December 2015

(Continued)

6. Deferred Income

	2015 \$	2014 \$
Government subvention	3,061,969	2,171,794
Investment fund and investment fund administrator fees	32,500	17,900
Securities industry licensee and registrant fees	25,338	231,750
Financial and corporate service provider fees	16,437	50,500
Total	3,136,244	2,471,944

All deferred income is eligible to be recognised in the following year in the statement of comprehensive income.

Movements in Government subvention comprise:

	2015 \$	2014 \$
Opening balance	2,171,794	89,368
Government subvention received	1,000,000	2,125,000
Government subvention utilised – specific projects	(109,825)	(42,574)
Closing balance	3,061,969	2,171,794

7. 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 is comprised of fines totalling \$55,000, however, a provision for doubtful accounts of an equal amount is also required.

The Securities Commission of The Bahamas

Notes to the Financial Statements

31 December 2015

(Continued)

8. Employee Benefits

Pension costs recognised in the statement of comprehensive income in the current year total \$232,740 (2014: \$208,147). The Commission's contributions to the pension plan vest 50% with employees upon completion of 5 years of employment, incrementally vesting annually, with full vesting upon completion of 10 years of service.

During the year, the Commission received reimbursements totalling \$42,916 (2014: \$85,073) 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 2015, the Commission employed 75 (2014: 70) persons.

9. 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:

	2015 \$	2014 \$
<i>Assets</i>		
Cash at banks	1,475,086	516,507
Term deposits	2,586,150	2,540,220
Accounts receivable	26,340	8,012
Prepaid expenses and other assets	1,770	1,770
<i>Liabilities</i>		
Accounts payable and accrued expenses	100,161	109,408
Other liabilities	197,519	-
Advance from the Consolidated Fund	150,000	150,000
<i>Income</i>		
Interest income	77,171	61,851
Other income	78,000	78,000
<i>Expenses</i>		
Utilities and property charges	116,597	128,263

Notes to the Financial Statements
31 December 2015
(Continued)

9. Related Party Balances and Transactions (Continued)

Compensation of key management personnel for the year ended 31 December 2015 comprised \$552,306 (2014: \$418,966) for salaries and other short-term benefits, \$22,908 (2014: \$21,601) for pension benefits and \$78,942 (2014: \$Nil) for termination benefits.

As of 31 December 2015, accounts receivable from key management personnel totalled \$67 (2014: \$35).

The advance from the Consolidated Fund is interest-free and has no set terms of repayment.

10. Commitments and Contingencies

Lease commitments

The Commission was previously party to operating lease agreements, with options to renew for further periods, relating to office space. The Commission has not entered into any extended lease agreements and future minimum payments required under the operating leases are as follows:

	2015	2014
	\$	\$
Within one year	177,049	243,071

Other commitments

During the year, the Commission acted as executing agent on behalf of the Government in relation to a purchase agreement for land and buildings. Further, all funding required to date has been provided by the Government and the Commission expects that all future funding and obligations under the purchase agreement will be honoured by the Government.

Upon completion of the transaction, the Commission will be leasing office space in the referenced premises.

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.

The Securities Commission of The Bahamas

Notes to the Financial Statements

31 December 2015

(Continued)

11. 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, term deposits and accounts receivable. The Commission mitigates the risk associated with cash at banks and term deposits 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.

The Commission in its effort to minimise credit risk exposure monitors the accounts receivable balances ensuring that all efforts are expended in order to reduce accounts with long overdue balances.

The aged analysis of accounts receivable as of 31 December 2015 is set out below:

	2015 \$	2014 \$
<i>Days outstanding</i>		
0 – 90 days	64,230	21,728
90 – 180 days	14,231	1,314
> 180 days	<u>183,711</u>	<u>129,644</u>
Total	<u>262,172</u>	<u>152,686</u>

Balances greater than 90 days are considered for impairment.

(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. The Commission maintains a level of liquid assets that mature in the short term to meet cash requirements for normal operating purposes.

As of 31 December 2015, all of the Commission's accounts payable and accrued expenses and other liabilities are due within one year.

Notes to the Financial Statements

31 December 2015

(Continued)

11. Financial Risk Management (Continued)

(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 and term deposits, which is not considered significant as the Bahamian dollar Prime rate has not experienced any changes since the year ended 31 December 2011. Accordingly, the risk is not hedged and is considered a profit opportunity.

The Commission does not have any significant fair value interest rate risk.

12. Fair Value of Financial Instruments

Financial instruments utilised by the Commission include the recorded financial assets and liabilities, and their estimated fair values approximate their carrying values due to the relatively short-term nature of these instruments.

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

13. 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.

14. Subsequent Events

Subsequent to 31 December 2015, the Commission received correspondence from the Government of The Bahamas permitting the Advance from the Consolidated Fund, and other payables of \$75,000, to be utilised by the Commission in relation to its future office premises.



3rd Floor, Charlotte House
Shirley and Charlotte Streets
P.O. Box N-8347
Nassau, Bahamas

Telephone

1 (242) 397-4100 (Nassau)
1 (242) 225-8171 (Family Island toll free)
1 (360) 450-0981 (International)

Fax

1 (242) 356-7530

Email

info@scb.gov.bs

Web address

www.scb.gov.bs