

SECURITIES COMMISSION OF THE BAHAMAS

PUBLIC NOTICE

No. 21 of 2011 22 December 2011

**NOTICE RELATING TO THE RE-CATEGORIZATION OF FIRMS AND INDIVIDUALS
UNDER THE SECURITIES INDUSTRY ACT, 2011**

This **NOTICE** is issued by the Securities Commission of The Bahamas (“the Commission”). The Commission is responsible for the administration of the new Securities Industry Act, 2011 (SIA, 2011) which was passed in the House of Assembly on April 18, 2011 and in the Senate on May 19, 2011. The SIA, 2011 is expected to be brought into force on December 30, 2011. Under this legislation, the Commission will continue to exercise its regulatory authority over the securities and capital markets to ensure an effective licensing framework.

The public is hereby advised that with the introduction of the new SIA, 2011, existing registrants will be mapped into different categories of registration. Firms will be re-categorized for the 2012 period as follows:

- A firm that is currently licensed as Broker-Dealer Class I will be registered to:
 - deal in securities as agent or principal;
 - manage securities;
 - arrange deals in securities; and
 - advise on securities.

- A firm currently licensed as a Broker-Dealer Class II will be registered to
 - deal in securities, as agent ;
 - manage securities;
 - arrange deals in securities; and
 - advise on securities.

- A securities investment advisor will be registered to:
 - manage securities; and
 - advise on securities.

With respect to individuals, the new categories of registration will be linked with the registered firm by which they are employed. The categories are as follows:

- A Broker, Stockbroker or Principal of a Broker-Dealer will be registered as a Trading Representative;
- An Associated Person of a Broker-Dealer will be registered as an Advising Representative only;
- A Securities Investment Advisor will be registered as a Discretionary Management Representative.

Additionally, two new categories of registration have been established, namely the positions of Chief Executive Officer (CEO) and Compliance Officer. Compliance officers have until December 30, 2012 to be registered while CEO's within the first six months of the re-categorization process will be required to be registered.

Persons currently conducting business under the SIA 1999 for which, under the SIA 2011, they will not have approval will be operating outside of their authorized functions and should immediately contact the Authorizations Department and begin the application process for the required licenses. Failure to do so will result in enforcement action being taken.

Any questions regarding this Notice should be directed to:

The Authorizations Department
Securities Commission of The Bahamas
3rd Floor, Charlotte House Shirley & Charlotte Streets
P.O. Box N-8347
Nassau, Bahamas
Tel: (242) 397-4100 Fax: (242) 356-7330
Email: info@scb.gov.bs
Website: www.scb.gov.bs