



SECURITIES COMMISSION OF THE BAHAMAS

PUBLIC NOTICE

No. 3 of 2019

24 July 2019

**RE: SOVEREIGN FRIENDLY SOCIETY;
FUSION FRIENDLY SOCIETY;
CANNA FRIENDLY SOCIETY;
FUSION BANK; and
FUSION FINANCIAL.**

This **NOTICE** is issued by the Securities Commission of The Bahamas (“the Commission”) pursuant to its authority under the Securities Industry Act, 2011, the Investment Funds Act, 2003 and the Financial and Corporate Service Providers Act, 2000 (“the Acts”).

It has come to the attention of the Commission that an entity called **SOVEREIGN FRIENDLY SOCIETY, whether as an alias of, or in conjunction and/or affiliation with, FUSION FRIENDLY SOCIETY, CANNA FRIENDLY SOCIETY, FUSION BANK and FUSION FINANCIAL**, may be carrying out activities that are registrable under one or more of the Acts.

The Commission hereby advises the general public that neither **SOVEREIGN FRIENDLY SOCIETY**, nor any of the other named organizations, their agents nor their consultants, are registrants of the Commission nor have they made application for registration with the Commission. Therefore, any conduct of registrable activity by these organizations, their agents or consultants in or from this jurisdiction is a violation of one or more of the Acts. If these organizations, their agents or consultants in any way hold themselves out as fully compliant and bona fides operating securities or financial services business in or from this jurisdiction, they are committing an offence and are liable for criminal prosecution and/or regulatory sanctions under the relevant laws of The Bahamas.

BACKGROUND

Via the website <https://sovereignfriendlysociety.com> Mr. Kendell R. Lang and Mr. Derek Scallet are offering to the public, financial services, investment funds and investment services that are registrable activities within this jurisdiction. The web pages indicate that these organizations are operating in or from the Harbour Bay Shopping Plaza, Nassau, Bahamas. One of the services offered by this organization appears to target individuals and/or companies involved, or

interested in becoming involved, in the cannabis (more commonly referred to, whether correctly or not, as “marijuana”) industry.

On 4 May 2018, the Central Bank Of The Bahamas issued a Public Warning, declaring that **Fusion Bank** is not a Bank and Trust Company licensed to conduct business in or from The Bahamas. Further, on 7 May 2018, the Department of Business Oversight, Sacramento, California, USA, issued a “**Cease and Desist order**” against Fusion Bank and Kendall Lang whose purported address is the Harbour Bay Shopping Center, Nassau, Bahamas. The order prohibited both **Fusion Bank and Kendall Lang** from advertising, transacting and receiving or soliciting any deposits as a bank until they have applied for and received a licence to conduct such business.

The public is here informed that there is an organization by the name of “**SOVEREIGN FRIENDLY SOCIETY**” that is duly registered with the Registrar General’s Department of The Bahamas. However, there is no established link between the mentioned registered organization and the subject of this Notice. In addition, and for further clarity, based on information received by the Commission, none of the subject entities are registered and or otherwise incorporated with the Registrar General’s Department.

The Commission further advises that anyone desirous of conducting securities or financial services business with these organizations, their agents or consultants, should be cognizant that they are doing so with entities and or individuals that are not registered with the Commission to operate within or from The Bahamas. Therefore, the Commission urges the public to exercise extraordinary precautionary measures before engaging in any business activities with any of the subject entities.

Further, anyone who has a complaint and or information in relation to any of the above named organizations should contact Mr. Gawaine Ward, Manager, Enforcement Department at the Securities Commission of The Bahamas at telephone number 397 - 4100 or in writing to P.O. Box N-8347, Nassau, The Bahamas or via e-mail: enfdept@scb.gov.bs.