

**SECURITIES COMMISSION OF THE BAHAMAS
PUBLIC NOTICE**



No. 5 of 2016

23 August 2016

**Re: Public Consultation on the Draft Financial and Corporate
Service Providers (Money Lenders) Rules, 2016**

The Securities Commission of The Bahamas (“the Commission”), in its capacity as the Inspector of Financial and Corporate Services, has responsibility for the licensing and regulation of financial and corporate service providers. Pursuant to its rule-making power under section 11(6) of the Financial and Corporate Service Providers Act, Ch. 369, the Commission has prepared the draft “Financial and Corporate Service Providers (Money Lenders) Rules, 2016 (“the Rules”) to clarify the definition of and to enhance the regulation of money lending activity by non-bank lenders.

Within the overarching theme of consumer protection, the main objective of the Rules is that of regulating the activity of non-bank money lending by (i) defining who may participate in the activity and identifying those exempted, (ii) stipulating the requirements and conditions for licensing and the conduct of money lending activities, (iii) prescribing due diligence and AML/CFT requirements, and (iv) prescribing penalties for illegal money lending and associated activities. The specific activity of mortgage lending by non-bank persons is also addressed in the draft Rules as a sub-set of the activity of money lending.

Contemporaneously, amendments are being made to the Financial and Corporate Service Providers Act, Ch. 369 to strengthen the Inspector’s authority under the Act and to ensure that the draft Rules, as subsidiary legislation, is consistent with the principal legislation

The Commission has issued the draft Rules for public consultation. The Commission invites the general public to share comments with respect to the document. The consultation period commences Tuesday 23 August 2016 and concludes Wednesday 16 November 2016.

The draft Rules may be found on the “Consultation Documents” page of the Commission's website (www.scb.gov.bs/consultation.html). Comments may be made via email to fscspconsultation@scb.gov.bs. Alternatively, comments may be submitted to:

The Executive Director

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