



SECURITIES COMMISSION OF THE BAHAMAS

PUBLIC NOTICE

No. 4 of 2020

9 March 2020

RE: SECURITIES COMMISSION OF THE BAHAMAS – FRAUD MATTER

The Securities Commission of The Bahamas (the “Commission”) is a statutory body responsible for the regulation of the securities and capital markets as well as financial and corporate service providers. As a regulatory body, we hold fast to high standards of transparency with all of our stakeholders.

In early February 2020, following our normal internal processes, the Commission discovered an irregularity in its operational bank account. The appropriate persons at our bank were immediately contacted for an explanation and correction of the irregularity. On the next business day, it was determined that a fraudulent cheque in the amount of B\$850,000.00 was cleared through the Commission’s account in January 2020.

That evening, the Commission contacted senior persons at our bank and the financial institution where the fraudulent cheque was deposited. We also reported the matter through the appropriate channels and contacted the police. In turn, the police immediately launched a criminal investigation into the matter.

In light of recent events, the Commission encourages all businesses to be vigilant in enforcing basic internal control procedures to prevent and detect fraud, including the timely completion and review of bank reconciliations.

The matter remains in the hands of the police. To preserve the integrity of the police’s investigation, the Commission will not comment any further at this time.

The Commission notes that this matter, including the ongoing investigation, will not impact our licensees and registrants in any way.