

# SECURITIES COMMISSION OF THE BAHAMAS

## Prospectus Filing

### Procedure for timely submission, review and approval of a Prospectus

- A. Submission of Initial Documents:** Aspirant issuers are requested to submit not less than 3 weeks prior to the planned submission of a prospectus the following documents:
- Recent audited financial statements, if available, of the proposed issuer (previous three years)  
Recent audited financial statements, if available of the subsidiaries and parent company of the proposed issuer (previous three years)
  - Organisational chart of the proposed issuer and that of the group structure
  - Names of Directors of the proposed issuer, its subsidiaries and that of the parent company
  - Summary information on the proposed issuer, its subsidiaries and parent –namely
    - o Name address / registration number, head office, jurisdiction of incorporation etc.,
    - o Relationship between issuer and its subsidiaries and affiliates/ associates and the parent and its affiliates
    - o History / Description of principal activities and business of the issuer, its subsidiaries and parent
  - A list and description of all material transactions occurring over the previous twelve months
  - Copy of all material agreements and contracts (not in the ordinary course of business) entered into within the last twelve months (any material contract undertaken by the subsidiaries (not in the ordinary course of business) should also be included
  - Names and Interests of Experts/Advisors, whose attestations may be used in the proposed prospectus
  - Other risk factors material to the proposed issuer, its subsidiaries and parent
  - Information on all legal proceedings impacting on the proposed issuer, its subsidiaries or parent.
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- B. Meeting:** Further to the review of documents, a meeting may be sought with the issuer and all parties concerned. This meeting would allow the Commission to, *inter alia*:
- Improve its understanding of the structure and governance of the proposed issuer
  - Gain a better appreciation for the structuring of the transaction
  - Discuss with the issuer the rationale for the issue and planned use of the proceeds
  - Clarify misconceptions and address any areas of concern
  - Be provided with sufficient information to allow for an effective review of the prospectus.
- C. Submission and Review of the Prospectus:** A complete prospectus accompanied by the prospectus filing fee of one thousand (\$1,000.00) is submitted. Upon receipt, the document will be reviewed for regulatory compliance. It is possible that a further meeting may be requested, with the issuer depending on the adequacy of responses from the issuer to the queries raised by the Commission during its review. The review process is estimated at 4 weeks but the timeline is heavily dependant of the completeness of the information submitted (at all stages of the process.)

- D. Deficiency Letter:** Once the Commission has completed its review, it will opine on the adequacy of the prospectus through the issuance of a Deficiency Letter.
- E. Address Deficiencies:** The entity is required to address the deficiencies identified and submit a clean and redlined copy of the prospectus to the Commission as well as explanatory notes indicating what adjustments have been made and providing reasons (supported by evidence) where changes could not be made.
- F. Review and Request for Filing Fees:** The Commission will review the documents submitted in E so as to satisfy itself that all deficiencies have been addressed and the legal and statutory requirements have been met. If the Commission is of the view that the requirements have been met, a letter will be sent to the issuer advising of the requisite filing fees for the final prospectus.
- G. Letter of Approval:** Once the fees are received, the letter of approval is prepared indicating the registration date and the final prospectus may now be submitted to the Commission.
- H. Submission of Final Prospectus:** Three copies of the final prospectus are then to be submitted to the Commission by the issuer or its representatives.