



Board Members of the Securities Commission of The Bahamas from left: Tonique Lewis; Deno Moss; Christina Rolle, Executive Director; Robert V Lotmore, Chairman; Michael Paton, Deputy Chairman; Dawn Patton; Bede Sands .

## REGULATORY UPDATES

### Recently Implemented

**Investment Funds (Amendment) (No. 2) Act, 2020** was gazetted on 11 February 2020.

[Investment Funds Amendment](#)

**Investment Funds Regulations, 2020 (IFR 2020)** were gazetted on 31 January 2020.

[IFR2020](#)

### Consultation Documents

**Securities Industry (Amendment) Bill, 2020; Draft Securities Industry (Amendment) Regulations, 2020; Draft Securities Industry (Take-over) (Amendment) Rules, 2020; and Draft Securities Industry (Corporate Governance) (Amendment) Rules, 2020.**

**Consultation period:** Wednesday 26 February - Wednesday 11 March 2020

These amendments propose changes based on a review of The Bahamas' Ease of Doing Business rating, with a view to improving minority shareholder protections, disclosure requirements for directors, nominee directors and officers of public issuers, and shareholder rights generally.

[SIA Proposed Amendments](#)

**Securities Industry (Anti-Money Laundering and Countering the Financing of Terrorism) (Amendment) Rules, 2020**

**Consultation period:** Wednesday 26 February - Wednesday 11 March 2020

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This Amendment seeks to render the Commission's Securities Industry (AML/CFT) Rules, 2015 homogeneous with FATF's due diligence standards, and the requirements of the Financial Transactions Reporting Act, 2018.

[Securities Industry AMLCFT](#)

**Financial and Corporate Service Providers (Anti-Money Laundering and Countering the Financing of Terrorism) (Amendment) Rules, 2020**

**Consultation period:** Wednesday 26 February - Wednesday 11 March 2020

This Amendment seeks to render the Commission's Financial and Corporate Service Providers (AML/CFT) Rules, 2019 homogeneous with FATF's due diligence standards, and the requirements of the Financial Transactions Reporting Act, 2018.

[FCSP AMLCFT Amendment Rules](#)

## MEDIA RELEASES/ALERTS AND NOTICES

### Media Release

Securities Commission Joins Global Financial Innovation Network

Issued: 18 February 2020

The Securities Commission of The Bahamas announced its membership in the Global Financial Innovation Network ("GFIN"). This membership ensures the Commission is a part of the ongoing conversation with the entrepreneurs and innovators in the Fintech industry who are seeking a well-regulated environment that protects investors and the markets, while allowing for growth and development.

[http://bit.ly/GFIN\\_member](http://bit.ly/GFIN_member)

### Notice

Forms for use pursuant to the IFA, 2019 and IFR, 2020 are posted to the Commission's website.

- IFA Fund Application Licence - Form A
- IFA Fund Manager Registration - IFR Form B
- IFA Administrator Application - IFR Form D
- Application Form - Chief Executive Officer and Compliance Officer and MLRO

[http://bit.ly/IFA\\_Forms](http://bit.ly/IFA_Forms)

### FEBRUARY 2020

S	M	T	W	TH	F	S
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02	03	04	05	06	07	08
09	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

### MARCH 2020

S	M	T	W	TH	F	S
01	02	03	04	05	06	07
08	09	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

## INDUSTRY BRIEFINGS/ EVENTS AND MEETINGS

19

BFSB Workshop: Financial Crimes Enforcement, Compliance and Risk Mitigation

20

Joint FCSP Authorised Agent Training, Securities Commission/Compliance Commission Webinar

27

SIA Registrants Regulatory Capital Information Session, Securities Commission Webinar

04

Bahamas Economic Outlook, Colliding Global Interests: Assessing the Impact

10

CFTC OIA International Regulators Conference, Boca Raton, Florida

### APRIL

23

Industry Briefing, FCSP/IFA/SIA, Securities Commission

#### Other Forms

- IFA-Schedule 6 - Form A - Fund Transfer from The Bahamas
- IFA-Schedule 6 - Form B - Fund Transfer to The Bahamas
- IFA Fund - Schedule 9 - Form A - Annual Declaration for Investment Fund
- IFA Admin - Schedule 9 Form B - Annual Declaration for Investment Fund Administrator
- IFA Fund - Schedule 9 - Form C- Annual Declaration for Investment Fund Manager
- Personal Questionnaire - Directors and Security Holders

[http://bit.ly/Other\\_Forms](http://bit.ly/Other_Forms)

## SPEECHES AND PRESENTATIONS

### Christina Rolle, Executive Director

**19 February 2020:** The Financial Crime and Enforcement, Compliance and Risk Mitigation Seminar was part of the Bahamas Financial Services Board's Industry Development Series. Panellists on The Bahamas Regulatory Update roundtable discussion were Christina Rolle, Securities Commission Executive Director and Charles Littrell, the Central Banks' Inspector of Banks and Trust Companies. The discussion focused on the tools regulators have within their remit to combat and mitigate financial crimes. The discussion also focused on the existing avenues and approaches for cross border cooperation.

## UPCOMING INDUSTRY BRIEFINGS/EVENTS AND MEETINGS

**4 March 2020:** Bahamas Economic Outlook, "Colliding Global Interests: Assessing the Impact." Annual conference that brings together leading thinkers and doers to explore how global business, technology, science, finance, politics and culture shape The Bahamas' economy. Baha Mar Convention Center. For more information and to register visit <https://www.rfbeo.com/>.

**10 March 2020:** Commodities Futures Trading Commission, Office of International Affairs, International Regulators Conference. Panel Discussion: Regulators views on Fintech and Financial Innovation. Christina Rolle, Executive Director of the Commission and counterparts will discuss the latest developments in Fintech and how regulators are looking at new Fintech and innovations in their agencies and the steps agencies have taken to ensure those within the agency are knowledgeable about these latest technologies and equipped with the tools needed to develop policies around these new innovations. Boca Raton, Florida

**23 April 2020:** SIA/IFA/FCSPA Industry Briefing. The Commission will discuss its recently launched risk-based supervision platform, give special presentations with specific focus on AML/CFT, and provide updates on legislative and other developments applicable to our SIA/IFA/FCSPA registrants and licensees. Grand Hyatt Conference Center, Baha Mar, 9:30am-3pm.

## AROUND THE COMMISSION

**20 February 2020:** The Commission and Compliance Commission conducted a successful joint FCSP Authorised Agent Training webinar for BICA-licensed accountants and accounting firms to qualify as authorised FCSP examiners. 66 individuals from 31 entities participated.

**27 February 2020:** The Risk Analytics Unit conducted a Regulatory Capital webinar information session to assist SIA registrants in properly preparing Regulatory Capital calculations for inclusion on quarterly filings of Form 13--Financial and Operational Report. 80 individuals from 56 entities participated.

## 2020 EXAMINATION PRIORITIES

In an effort to promote transparency of the examinations process and highlight the top identified areas of risk in the securities sector, the Commission has established its examination priorities for the 2020 calendar year. This aligns with the Commission's mandate to maintain surveillance over, as well as to formulate principles to regulate and govern investments funds, securities and the capital markets, to ensure orderly, fair and equitable dealings, and to protect investors. To view the priorities visit [http://bit.ly/Exam\\_Priorities](http://bit.ly/Exam_Priorities)

## FEEDBACK

For feedback, questions or to provide information email: [oed@scb.gov.bs](mailto:oed@scb.gov.bs), reference *SCB Brief V1, I2*.

Publication date: 28 February 2020 (V2)

## ON THE HORIZON

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The Securities Industry (Contract for Differences) Rules, 2020 are being reviewed for finalization.

<http://bit.ly/Contracts For Differences>

Investment Funds (Prescribed Jurisdictions) Rules, 2019 are being reviewed for finalization.

<http://bit.ly/Prescribed Jurisdictions Rules>

Investment Funds (Fees) Rules, 2020

Finalized and awaiting promulgation.

The Digital Assets and Registered Exchanges (DARE) Bill, 2020 regulates initial token offerings (ITOs), digital asset businesses, including digital token exchanges, sponsors of ITOs and digital custody services and other digital asset service providers. Once enacted, any person conducting digital asset business in or from The Bahamas will require registration under the Act.

<http://bit.ly/Dare Bill2>

## FILINGS WATCH

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Licensees and registrants of the Securities Industry Act, 2011 (SIA), the Investment Funds Act, 2019 (IFA) and the Financial and Corporate Service Providers Act, 2000 (FCSPA) should refer to legislation and issued rules in order to remain compliant with their ongoing reporting obligations.

## INTERNATIONAL MEETINGS

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**IOSCO Committee on Enforcement and the Exchange of Information and Screening Group (Committee 4)**

**18-20 February 2020.** Madrid, Spain. **Attendees:** Mechelle Martinborough, Senior Legal Counsel; Gawaine Ward, Manager, Enforcement.

Committee 4 aims to help detect and prevent breaches of securities laws and regulations in global financial markets and determine ways to implement global enforcement cooperation under the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (MMoU), and the IOSCO Enhanced Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (EMMOU).

## UN SECURITY COUNCIL NOTICES

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**Issued by:** United Nations Security Council

**Adoption Date:** 6 February 2020

**Reference:** SCA/1/20 (07)

[http://bit.ly/SCA\\_1\\_20\\_07](http://bit.ly/SCA_1_20_07)

**Issued by:** United Nations Security Council

**Adoption Date:** 4 February 2020

**Reference:** SCA/2/20 (2)

[http://bit.ly/SCA\\_2\\_20\\_2](http://bit.ly/SCA_2_20_2)

## RECOMMENDED READING

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**“The future of funds in The Bahamas”**

by Christina Rolle

*The Bahamas Investor*, Fall/Winter 2019;

[digital.bahamasnet.com/go/thebahamasinvestor\\_july\\_2019/](http://digital.bahamasnet.com/go/thebahamasinvestor_july_2019/)

**“Epidemics and Economics”**

by David E Bloom, Daniel Cadarette, and J P Sevilla

*Finance & Development*, June 2018, Vol. 55, No. 2;

New and resurgent infectious diseases can have far-reaching economic repercussions.

<https://bit.ly/2weXJuQ>

**“The Long and Short of the Digital Revolution”**

by Martin Mühleisen

*Finance & Development*, June 2018, Vol. 55, No. 2;

Smart policies can alleviate the short-term pain of technological disruption and pave the way for long-term gain.

<https://bit.ly/3coWh9M>

**Gateway: The Bahamas Financial Review Winter 2019/2020**

BFSB's semi-annual publication with the primary objective and focused theme showcasing the “Bahamas Advantage”.

[bfsb-bahamas.com/publications/gateway/winter2019-2020/](http://bfsb-bahamas.com/publications/gateway/winter2019-2020/)

**Doing Business 2020**

The World Bank Group flagship publication, the 17th in the series of annual studies, measures the regulations that enhance and constrain business activity. The publication presents quantitative indicators on business regulations and the protection of property rights across 190 economies from Afghanistan to Zimbabwe.

<https://www.doingbusiness.org/>

**The Future of Finance: The Impact of FinTech, AI, and Crypto on Financial Services**

by Henri Arslanian and Fabrice Fischer

From the cover: This book, written jointly by an engineer and artificial intelligence expert along with a lawyer and banker, is a glimpse on what the future of the financial services will look like and the impact it will have on society.