



BICA ACCOUNTANT'S WEEK

Securities Commission Of The
Bahamas' Regulatory Updates

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Securities Commission of The Bahamas**

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SCB is responsible for the administration of:

- Securities Industry Act, 2003
- Investment Funds Act, 2019
- Financial and Corporate Service Providers Act, 2000*

**(FCSPA, 2020 has been passed in Parliament but not yet brought into effect)*



Securities Firms

160
Securities
Firms



2 Marketplaces
/Clearing
Facilities



51 Investment
Fund
Administrators



725 Investment
Funds



343 Financial &
Corporate
Service
Providers

Digital Asset and Regulatory Exchanges (DARE) Act, 2020

- The Securities Commission's most progressive piece of legislation to date, the Digital Assets and Registered Exchanges (DARE) Act, 2020.
- The DARE Act creates a legislative regime to regulate the issue and sale of digital assets, including digital tokens and digital asset businesses.
- The legislation focuses on regulation of digital assets and digital assets providers not the underlying technology.

Digital Asset and Regulatory Exchanges (DARE) Act, 2020

- Digital Assets: a new class of assets
- Digital Tokens:
 - virtual currency tokens
 - asset tokens
 - utility tokens
 - non-fungible tokens
- Digital Assets Services Providers

Financial And Corporate Service Providers Act (FCSPA), 2020

- Takes an activity specific approach to financial services.
- Provides formal definition for financial services provider and corporate services provider.
- Captures Bahamians engaged in corporate services activity, as well as many of the non-bank financial services activities.
- Under the Act:
 - Commission no longer Inspector.
 - Commission now regulator and authority
- Criminalizes certain financial schemes:
 - Ponzi schemes
 - Pyramid schemes
 - Advance Fee schemes
 - Promotion or marketing of schemes
- Commission empowered to:
 - Dissolve
 - Investigate
 - Bring enforcement

Regulations, Rules & Amendments

SIA

- ✓ Securities Industry (Contracts for Differences) Rules, 2020.
- ✓ Securities Industry (Amendment) Regulations, 2020
- ✓ Securities Industry (Corporate Governance)(Amendment) Rules, 2020
- ✓ Securities Industry (Take-Over) Amendment Rules, 2020
- ✓ Securities Industry (Fees)(Amendment) Rules, 2020
- ✓ Securities Industry (Anti-Money Laundering and Countering the Financing of Terrorism)(Amendment) Rules, 2020

IFA

- ✓ Investment Funds Regulations, 2020
- ✓ Investment Funds (Amendment) Act, 2020
- ✓ Investment Funds (Prescribed Jurisdictions) Rules, 2020
- ✓ The Investment Funds (Fee) Rules, 2020

Consultation Documents



✓ Draft Securities Industry (Fees)
(Amendment) Rules, 2020

✓ Draft Investment Funds (Fees)
(Amendment) Rules, 2020

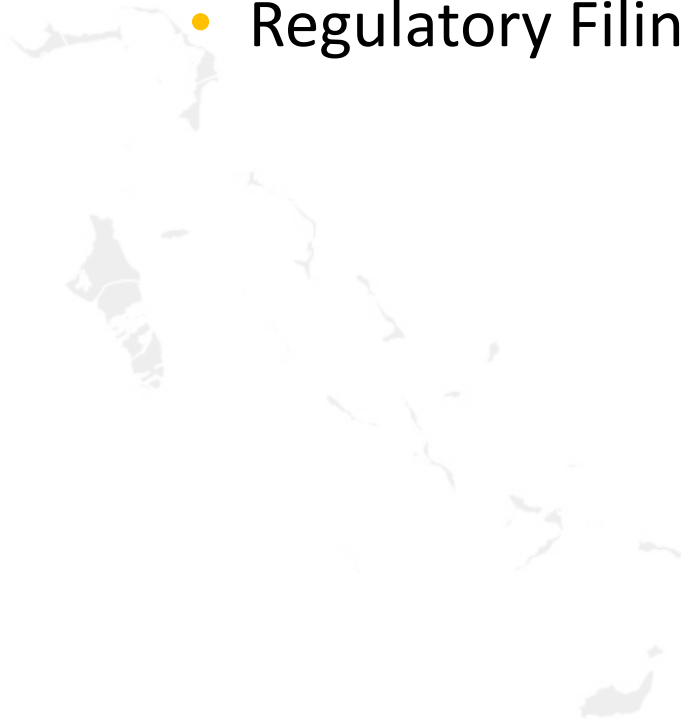
✓ Draft Financial and Corporate Service
Providers (Fees) Rules, 2020

Operations

- **Due to Covid-19 restrictions**
 - Suspension of in-person visits
 - Reduced office presence due to Covid but fully operational though mostly remote
 - Suspension of Onsite Examinations and Launched Desk Based thematic Reviews
 - Extension of statutory filings deadlines inclusive of audited financial statements and annual reports
 - Electronic reporting of statutory requirements
 - “NO ACTION” EXTENSION OF STATUTORY DEADLINE FOR IFA, 2019 registration
 - Investigations and Court Matters continuing in a virtual environment

Supervision

- 2020 Examinations Priorities
- Recognized and Qualifying Examinations List
- Regulatory Filings Portal



Other Updates

- New Website
- World Investor Week 2000 (WIW)
 - Production of two webinars in conjunction with WIW
- Other items in the works:
 - Regulatory Capital Rules
 - Whistleblowing Rules
 - Overhaul of Securities Industry Act in 2021

Thank you!

Q&A



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