



SECURITIES COMMISSION OF THE BAHAMAS

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SECURITIES INDUSTRY (CONTRACTS FOR DIFFERENCES) RULES, 2020 FORM CFD2 (Rule 6)

Application by Registered Firm to be Approved to Carry on Business in Contracts for Differences

General Instructions: Please complete all relevant sections; where the allocated space is insufficient, you may continue on a separate page and attach to the completed form. All supporting information and attached pages should be appropriately numbered and referenced in the form and the reference index attached. See detailed list of required attachments at the end of this document. This form should be certified by the Chief Executive Officer and Treasurer (see the Attestation).

Completed applications should be submitted to:

Supervision Department
Securities Commission of The Bahamas
Poinciana House North Building,
2nd Floor 31A East Bay Street
P.O. Box N-8347
Nassau, The Bahamas

Or via email to: SUDfilings@scb.gov.bs

Item 1 – Full name of Applicant

Item 2 – License/Registration Number

Item 3 – Current Registration

Indicate the types of securities business for which the applicant is currently registered:

Dealing as agent, only including underwriting	
Dealing as agent or principal, including underwriting	
Dealing as agent or principal, including underwriting, restricted to Arranging deals in securities Managing securities on a discretionary basis Advising on securities	

Item 4 - Types of CFDs

Indicate types of contracts for Differences (CFDs) for which approval to trade is being sought:

Contracts for Difference where the underlying are:	Yes	No
Single securities – Equities		
Single securities – Debt instruments		
Foreign exchange		
Stock market indexes		
Commodities – gold		
Commodities – other (specify)		
Digital Assets – (specify)		
Other (specify)		

Item 5 – Activities in CFDs

Describe the activity(s) in CFDs proposed to be carried out by the applicant, including the manner in which and the types of clients (retail/institutional; domestic/foreign) with whom the applicant proposes to conduct CFD business. Include details on how the CFD activity(s) would be integrated with its existing business.

Item 6 – Current Regulatory Capital

- i. Evidence that the applicant meets its current regulatory capital requirements calculated in accordance with the applicable rules.
- ii. Evidence of how the applicant will meet the additional regulatory capital required for its CFD activities.

(If the capital does not meet the minimum capital requirement for the proposed activity(s) under the law, the applicant must provide a written undertaking to the Commission that the applicant will increase its capital to satisfy the minimum capital requirement upon approval of the new activity(s), by the Commission.)

Item 7 – Details of Key Officers

With regard to the proposed activity(s) in CFDs, identify key officers to be responsible for CFD trading activities. Where the officer is not presently registered with the Commission include names, addresses, relevant experience, qualifications and other details required by the Commission.

Item 8 – Any Other Relevant Details

Include any other information relevant to the Commission's consideration of this application.

Item 9 – Contact Person at Applicant

Give the name, business telephone number and email address of a senior official of the Applicant who is knowledgeable about the application and who may be contacted to discuss it.

Item 10 – Date of the Application

Item 11 – Certification and Signature

Include the signature of the Chief Executive Officer and Treasurer certifying the following statement:

*“We, the undersigned, hereby affirm that to the best of our information, knowledge and belief
that —*

- (a) the Applicant is currently in compliance with all the applicable provisions of the Act and these Rules; and*
- (b) the contents of this form and any attachments provided with this form are true, correct and not misleading.”*

Chief Executive Officer’s Signature: _____

Treasurer Signature: _____

WARNING: Intentional misstatement or failure to disclose information may constitute an offence.

Required attachments:

1. Copy of the Applicant's updated written supervisory, internal controls and risk management policies and procedures reflecting activities related to CFD activities.
2. Full description of any trading platform to be used to trade CFDs.
3. The arrangements made for execution and settlement of CFD trades and for custody of margin held for customers.
4. An updated organizational chart for the firm reflecting officers and staff members responsible for CFD activities specifically.
5. Copy of the Applicant's updated detailed business plan for the next three years reflecting impact of CFD business activity.
6. Where there has been a change in security holders, directors or officers, a completed Form 4 of the Second Schedule of the SIR for each new security holder, director and officer.
7. Completed Form CFD 4 for the CFD Supervisory Officer and each representative to be registered to act for the firm in CFDs.
8. An application fee must be submitted with this application. The appropriate fee can be found in the Fee Rule.