

The Central Bank of The Bahamas

NOTICE

Re: External Stakeholders Manual

Supervised Financial Institution (“SFI”)/Registrant/Applicants

Central Email: Email Address

Overview

Current and prospective Supervised Financial Institutions (SFIs) of the Central Bank of The Bahamas (“the Central Bank”) are often required to make application to the Bank Supervision Department of the Central Bank. In keeping with the Central Bank’s commitment to achieving greater efficiency in how we interface with SFIs and applicants, we have compiled a comprehensive list of required documents for standard applications that require regulatory approval. We commend this document to you as a way to ensure completeness and accuracy in the administration of the applications.

In our experience, most applications can be progressed within one to two weeks, *provided* that the supporting application materials are complete and accurate. In this regard, it is important to note that the respective timelines for the various applications commence only after the Bank has received **all** outstanding documents that are in line with the established guidelines and regulations.

In circumstances where all outstanding documents are not submitted, the Central Bank reserves the right to hold the application in abeyance until all documents are received. Consideration will be given to the level of complexity of the application at hand. Levels of complexity will be classified as basic, medium and complex, which are outlined via the Table of Contents and the External Stakeholder’s Manual.

Failure of an applicant/SFI to submit the outstanding documents in reasonable time may result in the application being closed. The Central Bank will conduct a maximum of two follow-ups for missing and incomplete documents. Where no response is given within 14 days after the second follow-up, the application will be refused and closed.

The Central Bank reserves the right to request additional documents/information for all applications, including the right to require meetings with applicants or other relevant persons. The Central Bank also reserves the discretion to amend the timeframe for the submission of documents/information, which would only apply under exceptional circumstances.

Effective 2nd July, 2018, the Central Bank discontinued the hand delivery and postage of physical documents to SFIs. All letters will be dispatched via email. In this regard, SFIs are required to ensure that any updates with respect to relevant email addresses are communicated to the Central Bank in a timely manner.

Note, however, that consideration will only be given in instances where the hard copy of a physical document is the **only** option, for example, the issuance of a licence document. Note also that where physical correspondence must be dispatched to SFIs, the Central Bank would arrange for the **collection** of such correspondence by those SFIs.

Where original documents are required to be submitted (documents such as Police Certificates, Character and Financial References, Notarized Confidential Statements), SFIs may submit scanned certified copies of same to the Bank Supervision Department's central mailbox however, every effort should be made to submit the original documents in the shortest period of time in order that the application may be considered complete. Such correspondence, in addition to all other correspondence may be submitted to the Bank Supervision Department's central mailbox bsd@centralbankbahamas.com or physically delivered to the department at the Trimark Building, Market Street.

Our experience is that best practice is for applicants to submit all required documents for any matter in one complete package. This allows the Central Bank to more quickly assess the application's completeness, and usually to more quickly reach a decision.

Special Notes:

Master Codes and Incoming Correspondence Numbers (ICNs)

All licenced/registered SFIs are assigned a Master Code that is intended to be a unique identifier of the institution. The general Master Code syntax is three letters prefixing four numbers, with the prefix reflecting the SFI type, e.g., **LIC0000** (*licensed bank/trust*), **FCU0000** (*credit union*), **PTC0000** (*Private Trust Company*), **MTB0000** (*money transmission service provider*), **MTA0000** (*money transmission agent*).

All incoming correspondences are assigned Incoming Correspondence Numbers (ICNs), once received by the Central Bank's, Bank Supervision Department. ICNs are intended to help identify, track and consolidate correspondence(s) and related cases/applications received.

Master Codes and ICNs are referenced on letters and emails, dispatched by the Bank Supervision Department.

SFIs are required to reference the respective ICNs and Master Codes in responses to the Central Bank to increase the efficiency of administrative processes and avoid delays in the processing of applications and responses. Failure to submit documents with Master Codes and ICNs may result in a delayed response by the Central Bank or the rejection of the submitted documents.

Approved Persons

The largest approval category is Approved Persons. This manual's Glossary includes precise definitions of items such as the Curriculum Vitae and Character References. Applicants should take care to meet the requirements defined for these items in the Glossary.

Police Certificates

In cases where certain countries do not issue police certificates, the Central Bank may conduct enhanced due diligence with respect to such candidates. In most instances, the Central Bank will accept affidavits or other criminal background checks from countries that do not issue police certificates.

Reversal of Approvals

The Bank's approvals relevant to this document are granted on the basis that the information provided is accurate and complete. The Central Bank reserves the right to cancel or reverse any approval, if it is later discovered that there were material misstatements or omissions in the application information.

Administrative Monetary Penalty Regime

The Central Bank of The Bahamas ("the Central Bank") is responsible for the supervision of banks, trust companies, registered representatives, non-bank money transmission businesses and money transmission agents ("supervised financial institutions" or "SFIs") operating in and from within The Bahamas pursuant to the Banks and Trust Companies Regulation Act, 2000 ("BTCRA"), and the Central Bank of The Bahamas Act, 2000. Additionally, the Central Bank has the duty, in collaboration with its SFIs, to promote and maintain high standards of conduct and

management in the provision of banking and trust services. Administrative Monetary Penalties are imposed primarily to promote high standards of regulatory conduct by deterring persons from committing contraventions and encouraging those who have committed contraventions to take appropriate remedial action.

Additional information and assistance

If you have questions about completing or revising an application to the Bank Supervision Department, you may in the first instance contact [*contact details will be provided*].

Inspector of Banks and Trust Companies

Issued: 1st November, 2018

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External Stakeholder's Manual

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Legend:

Type of Request	Levels of Complexity
Application- "A"	Basic- "B"
Notification- "N"	Medium- "M"
	Complex- "C"

Glossary of Terms

Term	Definition
Application	Requests for approval or no objection made by an SFI, non SFI, Registrants and applicants.
Application Type	Type of application being presented to CBOB for approval/no-objection.
Approval In Principle	Interim approval that is granted subject to receipt of document(s) or receipt of confirmation of a completed action(s), as advised by CBOB in the Approval in Principle Letter. This interim approval does not confer the right to function in the capacity of or to conduct the activity relative to which the application was made.
Approved persons	Positions requiring approval from the Central Bank. Directors, Senior Officials I & II, MLRO, Chairman of the Board, Treasurer of the Board, Managing Director/President/General Manager. (commit the bank and be guided by Annual Statement)
Authorizations Unit (AAU)	Unit responsible for processing applications as indicated via the Table of Contents.
Board Resolution	Evidence that a decision has been presented and passed by an SFI's Board of Directors or a non-SFI's shareholders (majority or as prescribed in the Memorandum and Articles of Association). CBOB will also accept extracts from the Board Resolution in the form of a duly certified Secretary's Certificate.
Certified Copy	A copy (often a photocopy) of a primary document that contains an endorsement or is accompanied by a certificate that it is a true copy of the primary document. It does not certify that the primary document is genuine, only that it is a true copy of the primary document. Documents may be certified by a Justice of the Peace or Notary Public and in the instance of educational and professional qualifications may be certified by the Supervised Financial Institution's Corporate Secretary or the registrar of the educational or professional institution.
Character Reference	A personal reference that attests to an applicant's or shareholder's character and integrity. The character reference must be dated within the past three months and speak to the individual's honesty, integrity and reputation as well as the competence and capability of the applicant for the proposed role. The referee must have known the referrer for a period of not less than five (5) years. The referee must be independent, without an interest in the acceptability of the reference and should not have a familial relationship to the applicant.
Closed Application	An application that was submitted but due to a requisite document(s) not being submitted within a specified time frame, the application is automatically denied. Should an SFI choose to re-submit, the SFI will be required to recommence the application process but may re-use any documents that are required and have not reached the relevant expiry dates.
Confidential Statements	All questions to Confidential Statements must be answered. That is, whether the response is yes, no, not applicable or warrants other responses. Confidential statements must also be initialed on each page (pages 1-5) and page 6 must be certified by a notary public or Justice of the Peace. The applicant must also provide his/her signature in the space provided at page 6. The confidential statements of all approved regulated functions should be reviewed and resubmitted to the Central Bank, every three (3) years.

Curriculum Vitae	Comprehensive description of the background of an applicant. Details should include but are not limited to: a. previous management level or equivalent experience in the range of activities that may be conducted by the SFI/applicant; b. other management/administrative experience; c. special language skills (if appropriate to the SFI/applicant or its business); d. knowledge of pertinent Bahamian laws and supervisory and regulatory requirements; and e. other relevant skills and experience.
Director	Member of the board of directors of an SFI or applicant for a Licence made to the CBOB. Directors should exercise leadership, enterprise, integrity, independence and judgment in directing the affairs of the SFI. The Board of Directors is responsible for ensuring that an SFI possesses an adequate, effective, comprehensive and transparent process of corporate governance. An individual may hold no more than four non-executive directorship positions in SFIs of the Central Bank. However, the Central Bank may make an exception where a SFI is a part of a banking group that comprises two or more SFIs, if the individual serves as a non-executive Director only for that banking group. Where an individual serves as a non-executive director for various entities within a banking group, comprising two or more SFIs, such appointment will be counted as one of the four permitted by the Central Bank.
Domestic Financial Institutions Unit (DFIU)	Unit within BSD responsible for processing applications as indicated via the Table of Contents for Domestic Financial Institutions.
Executive Officer	An individual who has the capability to commit the SFI with respect to legal and/or financial transactions of an SFI which is supervised by the Central Bank or of an applicant for a Licence. Includes Chairman or Deputy Chairman of the board of directors, President, Managing Director, Vice President, General Manager, Secretary and Treasurer.
External Manual	Detailed document developed by the Bank Supervision Department for external stakeholders that outlines various applications, references, relevant legislation and guidelines to provide guidance on the administration and submission of applications.
Final Approval	The granting of approval further to the condition(s) which is/ are specified in the Approval in Principle Letter having being met. This approval confers the right to function in the capacity of or to conduct relative to which the application was made. Final Approval may also be granted outright when Approval-In-Principle is not warranted.
Financial Reference	A reference prepared by an institution in the applicant's jurisdiction that confirms that financial obligations are being met in a satisfactory manner. References should be provided by a financial institution licensed to conduct banking or trust business in The Bahamas or in another jurisdiction which conducts supervision in accordance with the Basel Core Principles for Effective Banking Supervision. References should provide a description of the nature and conduct of the

	financial relationship. The financial relationship must have been in existence for at least three years.
Held in Abeyance	The decision to place an application in a dormant state in which it will not be reviewed or assessed/continued to be assessed until receipt of requested document(s) or receipt of confirmation that a condition or conditions are met.
INED	INEDs (Independent Non-Executive Directors) are expected to provide checks and balances to ensure that SFIs operate in a safe and sound manner, and that the interests of the institution are protected despite any conflicts of interest affecting other board members.
International Firms Unit (IFU)	Unit within BSD responsible for processing applications as indicated via the Table of Contents for International SFIs.
Legal references	Associated legislation, policies or other guidelines.
Money Laundering Reporting Officer	Individual responsible for ensuring that the SFI is in full compliance with any laws and regulations of The Bahamas relevant to money laundering, terrorist financing, or proliferation financing. The MLRO must have direct, unrestricted access to the Board and/or Group Compliance or management, via the audit committee or other suitable committee of the Board of Directors, at least on an annual basis.
Net Worth Statement	Financial details/position of an applicant that is certified/ verified by a Certified Public Accountant, Chartered Accountant, or equivalently qualified professional accountant. The CPA/CA must provide evidence that their qualification is in good standing.
Non-bank/ Non-SFI	An institution that is not licensed, registered and regulated by the Central Bank of The Bahamas.
Nominee Shares	Shares in an SFI held on behalf of an individual or company via a custodial agreement. (Shares are held on behalf of)
Notarized	Certification by a Justice of the Peace or Notary Public.
Original	Document in original form.
Police Certificate	An official document issued in the applicant's jurisdiction where the individual resided within the past six (6) months. The document should confirm that a background check was conducted by the police or government agency in the jurisdiction to enumerate any criminal records that the applicant may have.
Policy Unit	Unit within BSD responsible for the development and amendment of policies and guidelines relative to BSD.
Regulated Function	Position regulated by CBOB. (Approved Person) <i>The regulated functions for branches only include Senior Officials I and II and MLRO.</i>
Senior Official I	The Chief Executive Officer of a SFI or applicant who is designated by the CBOB as the primary contact relative to the institution/entity's responsibilities and conducting of the regulated/proposed regulated activities and primary contact for correspondence purposes.
Senior Official II	A senior level executive who normally holds the second highest senior position in the SFI or applicant entity which the CBOB designates as the second primary contact relative to the institution/entity's responsibilities and conducting of the regulated/proposed regulated activities and second most senior contact for correspondence purposes.
Shareholder	Owning shares in an entity.

Significant Shareholder	Owning, holding or exercising voting control of 5% or more of the share capital of a SFI or a Licence applicant.
Supervised Financial Institution (SFI)	All institutions licensed, registered and regulated by the Central Bank of The Bahamas.
Supporting Documents	Documents required or requested in order to review and process an application.
Time Frame	Turnaround time for completion of application which is initiated upon satisfactory receipt of all required/requested documents.
Waiver	Formal communication granting exemption from a particular piece of legislation/policy/guideline.

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APPLICATION TYPE	PROCESSING TIME FRAME	REQUIRED DOCUMENTS
New Licence Application: Banks and/or Trust Companies	6 TO 8 WEEKS	<p>REQUIRED DOCUMENTATION FOR A CORPORATE APPLICANT</p> <p>Subsidiaries & Stand Alones</p> <ul style="list-style-type: none">) Letter requesting the establishment of a bank and/or company or trust) Completed Licence Application Factsheet) Name of corporate applicant) Proposed corporate name (if subsidiary bank or trust company)) Purpose of the proposed usage of the restricted words - short explanation of the scope of activities being proposed.) Description of the planned business activities in The Bahamas) A description of the applicant, its history, details of all business and other activity and current structure and organization) Annual Reports (including audited consolidated financial statements) of the corporate applicant or parent for the three consecutive financial years immediately preceding the date of application) A list of and background information* on all direct or indirect shareholders who represent individually or as a group 5% or more of the voting rights and/or shares of the applicant at the time of application whether or not the shares of the applicant are publicly traded) Copy of the Act, Charter, Certificate of Incorporation and Memorandum and Articles of Association of the applicant, as may be appropriate, verified by statutory declaration made by a director or the secretary duly authenticated under public seal of the jurisdiction in which the applicant has been incorporated) Organizational chart showing the structure of the direct and indirect shareholdings of

		<p>the applicant, analysed according to holdings of voting rights and/or shares</p> <ul style="list-style-type: none">) Particulars concerning the compositions of the direct and/or indirect structure of the ownership of the corporate entity) Particulars concerning the composition and organisation of proposed board of directors and senior management and background information for each proposed director or senior member of management) Organizational chart detailing reporting lines and responsibilities) Particulars regarding internal organization including but not limited to staffing, logistics and information technology and management information systems) Details regarding arrangements for internal audit including but not limited to reporting lines and scope of the function) Details regarding a compliance programme, including but not limited to procedures relating to know-your-customer and anti-money laundering requirements) Copies of internal policies (e.g. credit, liquidity etc.) and guidelines) A business plan for the first three years of operation) Name and address of external auditors and confirmation from the external auditors that the minimum capital requirements have been met) A corporate applicant which is a bank or trust company not licenced in The Bahamas is required to provide written confirmation by the relevant home country supervisory authority that the requirements prescribed by Section 4 (4) b-f of the BTCRA have been or will be met, as the case may be.
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		<p>Branches</p> <ul style="list-style-type: none">) Letter requesting the establishment of a bank and/or company or trust) Licence Application Factsheet) Annual Reports (including audited consolidated financial statements) of the corporate applicant or parent for the three consecutive financial years immediately preceding the date of application) Particulars concerning the composition and organisation of proposed board of directors and senior management and background information for each proposed director or senior member of management) Particulars regarding internal organization including but not limited to staffing, logistics and information technology and management information systems) Name and address of external auditors and confirmation from the external auditors that the minimum capital requirements have been met <p style="text-align: center;">REQUIRED DOCUMENTATION – INDIVIDUAL OR GROUP OF INDIVIDUALS</p> <p>SUBSIDIARIES & STAND ALONES</p> <ul style="list-style-type: none">) Letter requesting the establishment of a bank and/or bank or trust) Licence Application Factsheet) Name and business and personal address of each individual applicant including mailing address of each individual making application) Proposed corporate name of the bank or trust company) Address of the proposed entity in The Bahamas) Purpose of opening the bank or trust
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		<ul style="list-style-type: none">) A description of planned business activities) Where the application is made by a group of individuals acting together (1) the date of formation, description of the history, details of the business activity, and current structure and organization of the applicant group and (2) a description of any dominant individuals in the group, including comments on their position within the group and those representing any outside beneficial interests) Group applicants must also provide a current statement of assets and liabilities certified by a public accountant and prepared no earlier than three months prior to the date of application for each member of the group who is to acquire, own, hold or exercise voting control of share capital in excess of 10% of the share in the proposed SFI (As Applicable)) Group applicants must also provide a concise net worth statement certified by a public accountant for each member of the group who is to acquire, own, hold or exercise voting control of share capital in a proposed SFI of 10% or less, and which statement indicates the individual member's net worth is at least five (5) times the value of shares to which the individual member is subscribing (As Applicable)) Details of the proposed shareholding of each individual shareholder of the proposed SFI and background information* for each individual) Particulars concerning the composition and organisation of proposed board of directors and senior management and background information* for each proposed director or senior member of management) Organizational chart detailing reporting lines and responsibilities
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		<ul style="list-style-type: none">) Particulars regarding internal organization including but not limited to staffing, logistics and information technology and management information systems (As Applicable)) Details regarding arrangements for internal audit including but not limited to reporting lines and scope of the function) Details regarding a compliance programmer, including but not limited to procedures relating to know-you-customer and anti-money laundering requirements) Copies of internal policies (e.g. credit, liquidity etc.) and guidelines) A business plan for the first three years of operation) Name and address of external auditors and confirmation from the external auditors that the minimum capital requirements have been met. <p>Special Notes</p> <ul style="list-style-type: none">) The Central Bank will no longer be issuing restricted bank licences.) SFIs can be designated as Authorized Agents - Authorized Agents are trust companies, but may be granted licences as Bank & Trust SFIs as they perform incidental banking for their predominated book of fiduciary clients. They are authorized to conduct trust business with residents [pension funds and Bahamians that have foreign currency investments] and non-residents [offshore clients dealing in foreign currency investments]. There are firewalls between the two books of business.) SFIs can also be designated as Authorized Dealers – Authorized Dealers are banks – commercial banks conducting business in B\$ with residents. They facilitate the payment
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		<p>system in The Bahamas in the domestic banking market. They are allowed to conduct banking business with residents and non-residents. There are firewalls between the resident book of business and the foreign currency book of business. They are not allowed to use one to finance business in the other. These banks may be granted a bank & trust licence as they do carry out incidental trust activities for their clients, with the necessary safeguards.</p> <ul style="list-style-type: none">) All licence applicants must receive an exchange control designation to determine their status regarding the restrictions/requirements for currency dealings pursuant to the Exchange Control Regulations. A separate application for exchange control designation is not required. However, the intended exchange control status must be clearly stated in application.) An International Business Company (IBC) can have one (1) shareholder. Regular companies must have at least one (1) nominee shareholder.) Pursuant to paragraph 1(2) of the Licence Application Regulations. The Licence Application Regulations do not afford the Central Bank the discretion to allow less than five persons to apply for a licence. With regard to restricted trust licences, the Licence Application Guidelines state that “...a restricted bank and/or trust company is one which is allowed to carry on business for certain specified persons which are usually named in the licence.” In practice however, and as a matter of policy, the Bank grants restricted licences to facilitate family owned trust business - with the specified persons being related parties - and the number of
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		<p>trusts being limited to five. As a matter of policy, the Bank will not grant a restricted trust licence for the administration of a portfolio of unrelated trusts.</p> <p>) In the case of new applications for restricted banks and or trusts or requests for amendments to existing Addendums to the Licence, the Central Bank will no longer issue Addendums to the licence, instead the licence will state the restriction</p> <p>) The reservation of a company name is only required for entities which intend to use “restricted words” e.g. bank, trust, trust company, trust corporation, savings or savings and loan or any of their derivatives either in English or in any other language, in their description or title.</p> <p>) A fee invoice will not be issued in cases where the original appointment or licence to which such fee relates was made or granted on or after the first day of September in any given year.</p> <p style="text-align: center;">Relevant Legislation/Policies/References</p> <p>General Information and Guidelines for Licence Applications: http://www.centralbankbahamas.com/download/023515700.pdf</p> <p>Banks & Trust Companies Regulation Act http://laws.bahamas.gov.bs/cms/images/LEGISLATION/PRIN CIPAL/2000/2000-0038/BanksandTrustCompaniesRegulationAct_1.pdf</p> <p>Exchange Control Regulations http://laws.bahamas.gov.bs/cms/images/LEGISLATION/SUBO RDINATE/1956/1956-0058/ExchangeControlRegulations_1.pdf</p>
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		<p>Guidelines for the Minimum Physical Presence Requirements For Banks and Trust Companies:</p> <p>http://www.centralbankbahamas.com/download/093531800.pdf</p> <p>Guidelines for Assessing the Fitness and Propriety of Applicants for Regulated Functions:</p> <p>http://www.centralbankbahamas.com/download/FitProper15.08.03.pdf</p> <p>Guidelines for the Minimum Standards of Character and Financial References:</p> <p>http://www.centralbankbahamas.com/download/minstndrdsrefltrs.pdf</p> <p>Guidelines for the Corporate Governance of Banks and Trust Companies:</p> <p>http://www.centralbankbahamas.com/download/082105700.pdf</p> <p>Confidential Statement Form:</p> <p>http://www.centralbankbahamas.com/download/bsdlaform1.pdf</p> <p>Guidelines for Assessing The Fitness & Propriety Of Money Laundering Reporting Officers:</p> <p>http://www.centralbankbahamas.com/download/098145500.pdf</p> <p>Guidelines On Minimum Standards For the Outsourcing of Material Functions:</p> <p>http://www.centralbankbahamas.com/download/065303200.pdf</p> <p>Guidelines on the Relationship Between External Auditors of SFIs and the Central Bank:</p> <p>http://www.centralbankbahamas.com/download/017312500.pdf</p>
<p>New Licence Application: Non-Bank Money Service Provider</p>	<p>6 TO 8 WEEKS</p>	<p>REQUIRED DOCUMENTATION</p> <p>General Information:</p> <p>) Name of Corporate Applicant;</p>

		<ul style="list-style-type: none">) Address of head office of the corporate applicant including mailing address;) The proposed name of the money transmission business;) Address of the proposed office in The Bahamas;) Business rationale;) Purpose of opening the money transmission business;) A description of planned activities in The Bahamas; <ul style="list-style-type: none"> i. History, activity, present structure and organisation of the applicant; ii. Annual reports (including audited consolidated financial statements) of the applicant for the three consecutive financial years immediately preceding the date of the application; iii. Unaudited consolidated financial statements of the applicant as at the end of the most recent quarter prior to submission of the application, certified by a director or senior officer; iv. Two references, in original form, from a financial institution satisfactory to the Governor;) Particulars concerning the proposed composition of the direct and/or indirect ownership structure of the proposed SFI, including an organizational chart showing the structure of the direct and/or indirect shareholdings analysed according to holdings of voting rights and/or shares.
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		<p>) Latest Annual Statement (Registrar General Stamped and dated) reflecting the directors, officers and shareholders.</p> <p>) Certificate of Incumbency reflecting the Directors, Officers and Shareholders of the company certified by the Company Secretary.</p> <p>Proposed Board of Directors and Management and Shareholders:</p> <p>a. Particulars concerning the composition and organisation of the proposed board of directors and management.</p> <p>b. For each proposed director or member of management, as the case may be, the following information is required:</p> <ul style="list-style-type: none"> • Full name, date of birth, nationality and domicile (Passport copy or other acceptable document); • Curriculum vitae, incorporating, personal data, educational background, professional education and training, a list of previous professional activities and scope of responsibilities, including details of the level and number of subordinates managed; • Two original character references satisfactory to the Governor; or alternatively, in cases where a proposed director has been approved to serve as a group director or a director of the parent company domiciled in a Zone A country, a letter from the home regulator of the applicant stating that due diligence measures have been undertaken and that the individual remains in good standing; • One original Financial Reference satisfactory to the Governor. • Original Police Certificate or alternatively a sworn affidavit if not available in a jurisdiction.
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		<p>Business Rules and Internal Organization:</p> <ul style="list-style-type: none"> a) Organizational chart detailing reporting lines and responsibilities; b) Particulars regarding internal organisation including but not limited to staffing, logistics and information technology and management information systems; c) Details regarding arrangements for internal audit including but not limited to reporting lines and scope of the function; d) Compliance program, including but not limited to procedures relating to know-your-customer and anti-money laundering requirements. <p>Business Plan:</p> <p>Applicants are required to provide, in relation to the proposed SFI, a business plan for the first three years of operation. The plan must include but need not be limited to details of the following –</p> <ul style="list-style-type: none"> a) Development of business activities, and customer base; b) Projected budgets (capital and current), covering the same time frame, including balance sheet and income statement; c) Appropriate arrangements for the maintenance of records in The Bahamas; and d) Arrangements for premises. <p>Source of Capital Funding:</p> <p>Applicants are required to provide full details, to the satisfaction of the Governor, of the source of funds to comprise the initial capital of the money transmission service provider.</p> <p>Statutory Auditors:</p>
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		<p>Applicants are required to provide –</p> <ul style="list-style-type: none"> a) the name and address of the auditor(s) of the proposed SFI; and b) where appropriate, details of arrangements for review of the operation of the branch or representative office. <p>Documentation for Exchange Control Approval:</p> <ul style="list-style-type: none"> a) a written outline of the complete flow of funds to all parties to the proposal, including the local and foreign commercial bank through which the applicant will operate foreign currency accounts and any charges so connected; b) a written confirmation from the local commercial bank confirming that the bank has no objection to the account being operated to facilitate money transfer business; c) a copy of the draft agreement between the foreign service provider and local applicant; d) background information on the foreign service provider including evidence from the foreign service provider that it is licenced by the relevant supervisory/regulatory body in the country in which it is domiciled (e.g. a certificate of good standing); and e) projection of the anticipated foreign exchange requirement over the first quarter post launch of operations. <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <p>Sections 3A of the Banks and Trust Companies Regulation Act, 2000. http://laws.bahamas.gov.bs/cms/images/LEGISLATION/PRIN_CIPAL/2000/2000-0038/BanksandTrustCompaniesRegulationAct_1.pdf</p>
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		<p>Sections 3 and 4 of the Banks and Trust Companies (Money Transmission Business) Regulations, 2008 http://www.centralbankbahamas.com/legal_guidelines.php?cmd=view&id=16041</p> <p>Paragraphs 1(1), 2(1) and 3 through 7 of the Schedule to the Banks and Trust Companies (Licence Application) Regulations, 2002 http://www.centralbankbahamas.com/download/053863200.pdf</p> <p>Regulation 8 and 39(2) of the Exchange Control Regulations http://laws.bahamas.gov.bs/cms/images/LEGISLATION/SUBORDINATE/1956/1956-0058/ExchangeControlRegulations_1.pdf</p> <p>[Individuals Only] Paragraphs 1(2), 2(2), 3-7 of the Schedule to the Banks and Trust Companies (Application) Regulations, 2002 http://www.centralbankbahamas.com/download/053863200.pdf</p> <p>Relevant Guidelines: General Information and Application Guidelines for Non-Bank Money Transmission Service Providers and Non-Bank Money Transmission Agents http://www.centralbankbahamas.com/legal_guidelines.php?cmd=view&id=16337</p>
Registration of a Private Trust Company	7 WORKING DAYS	<p align="center">REQUIRED DOCUMENTATION</p> <p>Registered Representative (Central Bank SFI and Non-Central Bank SFI)</p> <ul style="list-style-type: none">) Registered Representative Certification) Certificate of Incorporation) Memorandum and Articles of Association <p align="center">Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) <u>Section 3(4) of the Banks and Trust Companies Regulation (Amendment) Act, 2006</u>

		<ul style="list-style-type: none">) <u>Section 3(1) of the Banks and Trust Companies (Private Trust Companies) Regulations, 2007</u> <p>Relevant Guidelines:</p> <ul style="list-style-type: none">) <u>General Information and Application Guidelines for Private Trust Companies & Registered Representatives</u>
Change in Name of A Private Trust Company	N/A	<p align="center">REQUIRED DOCUMENTATION</p> <p>Registered Representative (Non-Central Bank SFI)/ Registered Representative (Central Bank SFI)</p> <ul style="list-style-type: none">) Letter of notification) Board of Directors’ resolution approving the name change and amending the Memorandum and Articles of Association) Certificate of Name Change from the Registrar General’s Department
Private Trust Company – Change in Registered Representative Of A Private Trust Company	7 working days (Upon satisfactory receipt of all required documentation)	<p align="center">REQUIRED DOCUMENTATION</p> <p>Registered Representative (Non-Central Bank SFI) / Registered Representative (Central Bank SFI)</p> <ul style="list-style-type: none">) Formal written notification from the current Registered Representative advising that they no longer act as Registered Representative for the PTC) Resolution of the Board of Directors’ of the PTC authorizing the change in Registered Representative) Formal Notification of the PTC’s change in Registered Office as filed/stamped by the Registrar General Department <p align="center">Relevant Legislation/Policies/References</p> <p>Relevant Guidelines:</p>

		<ul style="list-style-type: none">) <u>General Information and Application Guidelines for Private Trust Companies & Registered Representatives</u>
Registration of a Money Transmission Agent	4 TO 6 WEEKS	<p>General Information (All Applicants):</p> <ul style="list-style-type: none">) Name and address;) Completed application form in Appendix II of the General Information and Application Guidelines for Non-Bank Money Transmission Service Providers and Non-Bank Money Transmission Agents;) A copy of the written agreement between the Money Transmission Service Provider and the proposed Money Transmission Agent;) Notification to the Central Bank of the name and experience of the assigned MLRO and Compliance Officers; <p>General Information (All Applicants):</p> <p><i>Where the agent is an individual the following is required:</i></p> <ol style="list-style-type: none"> i. Date and place of birth and nationality; ii. Curriculum vitae incorporating: personal data, educational background, professional education and training, list of previous professional activities and scope of responsibilities, including details of the level and number of subordinates managed; iii. Two character references in original form from sources satisfactory to the Governor; iv. One financial reference in original form from a bank or trust company licensed under the Banks and Trust Companies Regulation Act 2000 [or licensed in a country specified in the First Schedule to the Financial Transactions Reporting Act]; and

		<p>v. A police or other certificate in original form, satisfactory to the Governor, confirming that the person has not been convicted of a serious crime or any offence involving dishonesty.</p> <p>Where the agent is a company the following is required:</p> <p>i. Certified copy of the Certificate of Incorporation and Memorandum and Articles of Association of the applicant, as may be appropriate;</p> <p>ii. Certificate of good standing; and</p> <p>iii. A list of all direct or indirect shareholders and directors of the applicant and all due diligence documents on behalf of each shareholder and director.</p> <p>Relevant Legislation/Policies/References</p> <p>General Information and Application Guidelines for Non-Bank Money Transmission Service Providers and Non-Bank Money Transmission Agents (as amended March 22, 2012). http://www.centralbankbahamas.com/download/098278100.pdf</p>
<p>Registration of A Registered Representative</p>	<p>4 to 6 weeks (Upon satisfactory receipt of all required documentation)</p>	<p>REQUIRED DOCUMENTATION</p> <p>Corporate Applicant (Non-Central Bank SFI):</p> <ul style="list-style-type: none">) Completion of Application Fact Sheet (Appendix II – General Information and Application Guidelines for Private Trust Companies and their Registered Representatives);) Certificate of Incorporation as a regular company under the Companies Act, 1992;) Certified copies of the applicant’s Memorandum and Articles of Association;) Names, addresses, telephone and fax numbers of its shareholders, directors and

		<p>senior officers and its registered office in The Bahamas;</p> <ul style="list-style-type: none">) A certified copy of the applicant’s current Financial and Corporate Service Providers licence;) One bank and two character references in original form from sources satisfactory to the Governor;) A police certificate and copies of the first four pages of passport – which must include the page with photo identification (with respect to the shareholders, directors and senior officers of the applicant) and a fully completed, signed and notarized confidential statement for the directors and senior officers of the applicant;) History, activity, present structure and organization of the company;) Evidence, such as the Governor may require, of the nature and sufficiency of the financial resources of the applicant which are to be used to fund the business of acting as a Registered Representative; and) Such other particulars as the Bank may require. <p>Central Bank SFI:</p> <ul style="list-style-type: none">) Notification in writing of the intention to provide the services of a Registered Representative prior to engaging in such activity; and) Submission of the name of two senior contacts overseeing this line of business, with whom the Central Bank liaise in respect of the administrative, filing and verification of identity requirements at sections VII and VIII of the General Information and Application Guidelines for Private Trust
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		<p>Companies and their Registered Representatives.</p> <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) Sections 3(2),3(3) of the Banks and Trust Companies Regulation Act, 2000) Sections 6 of the Banks and Trust Companies (Private Trust Companies) Regulations, 2007. <p>Relevant Guidelines:</p> <ul style="list-style-type: none">) General Information and Application Guidelines for Private Trust Companies & Registered Representatives
<p>Registration of an Exempt Person for Business Continuity Operations</p>	<p>7 WORKING DAYS</p>	<p>REQUIRED DOCUMENTATION</p> <ul style="list-style-type: none">) The terms of the Business Continuity Agreement) Written confirmation from the relevant regulator that the person is licensed, authorized or regulated by the relevant regulator) A list of the name, address and occupation of any required person) A copy of the Agreement) Any other document or information considered relevant by the Central Bank <p>Relevant Legislation/Policies/References</p> <ul style="list-style-type: none">) <u>Section 4 (2) of the Banks and Trust Companies (Temporary Business Continuity Operations) Regulations, 2009</u>
<p>Licence Upgrade/Downgrade</p>	<p>7 TO 10 WORKING DAYS</p>	<p>REQUIRED DOCUMENTATION</p> <ul style="list-style-type: none">) Board of Directors' Resolution

		<ul style="list-style-type: none">) Letter from Senior Executive of parent bank advising of the licence change (in the case of a Branch)) Original licence document) Business rationale for the licence upgrade or downgrade <p>Relevant Legislation/Policies/References</p> <ul style="list-style-type: none">) <u>Section 4 of The Banks and Trust Companies Regulation Act, 2000</u>
Licence Expansion	7 TO 10 WORKING DAYS	<p>REQUIRED DOCUMENTATION</p> <ul style="list-style-type: none">) Board of Directors' Resolution) Original licence document) Business rationale for the licence expansion) Business Plan outlining including expanded activities <p>Relevant Legislation/Policies/References</p> <ul style="list-style-type: none">) <u>Section 4 of The Banks and Trust Companies Regulation Act, 2000</u>
Licence Amendment	7 TO 10 WORKING DAYS	<p>REQUIRED DOCUMENTATION</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Board of Directors' Resolution sanctioning the changes) Original Licence Document) Original Addendum Document) Business rationale for the Licence amendment <p>Branches</p> <ul style="list-style-type: none">) Letter from Senior Executive of parent bank advising of the Licence Change) Original Licence Document) Business rationale for the Licence amendment

		<p>Relevant Legislation/Policies/References</p> <ul style="list-style-type: none">) Sections 4 of the BTCRA,2000 <u>Banks and Trust Companies Regulation Act 1. pdf</u>
<p>Change in Immediate Ownership/ Ultimate/ Beneficial Ownership</p>	<p>10 TO 15 WORKING DAYS</p>	<p>REQUIRED DOCUMENTATION – CORPORATE APPLICANT</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Board of Directors’ Resolution from: <ul style="list-style-type: none"> (i) The Parent Bank of the SFI (ii) The Acquiring Bank) Approval of Foreign Regulatory Agencies) Original Licence Document (to be submitted only if the change will result in an amendment to the licence)) Purchase/Sales Agreement Between the current owner (immediate/ultimate/beneficial) and the proposed owner (immediate/ultimate/beneficial).) For applicants who propose to acquire shares of the SFI, details of any planned changes in the SFI’s business plan and activities, directors, management, internal and external audit and compliance programs, and/or internal operating and management processes) Name of the corporate applicant along with address of the headquarters of the corporate applicant, including the mailing address (if different)) Business rationale for change in ownership) Description of the number and type of shares to be acquired, including designation of whether the shares are already issued or to be issued, and including identification of number of shares to be held beneficially for others

		<ul style="list-style-type: none">) A description of the applicant, its history, details of all business and other activity and current structure and organization) Annual reports (including audited consolidated financial statements) of the applicant for the 3 consecutive financial years immediately preceding the date of the application) Organizational chart showing the structure of the direct and indirect shareholding of each applicant analyzed according to holdings of voting rights, shares and/or other controlling interests.) Unaudited consolidated financial statements of the applicant as at the end of the most recent quarter prior to the submission of the application, certified by a director or senior officer.) Particulars concerning the proposed composition of the direct and/or indirect ownership structure of the SFI, including an organizational chart showing the structure of the direct and/or indirect shareholdings analyzed according to holdings of voting rights, shares and/or other controlling interest. <p>Branches</p> <ul style="list-style-type: none">) Letter from Senior Executive of parent bank advising of the Licence Change) Approval of Foreign Regulatory Agencies) Purchase/Sales Agreement Between the current owner (immediate/ultimate/beneficial) and the proposed owner (immediate/ultimate/beneficial).) For applicants who propose to acquire shares of the SFI, details of any planned changes in the SFI's business plan and activities, directors, management, internal and external audit and compliance
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		<p>programs, and/or internal operating and management processes</p> <ul style="list-style-type: none">) Name of the corporate applicant along with address of the headquarters of the corporate applicant, including the mailing address (if different)) Business rationale for change in ownership) Description of the number and type of shares to be acquired, including designation of whether the shares are already issued or to be issued, and including identification of number of shares to be held beneficially for others) A description of the applicant, its history, details of all business and other activity and current structure and organization) Annual reports (including audited consolidated financial statements) of the applicant for the 3 consecutive financial years immediately preceding the date of the application) Organizational chart showing the structure of the direct and indirect shareholding of each applicant analyzed according to holdings of voting rights, shares and/or other controlling interests.) Particulars concerning the proposed composition of the direct and/or indirect ownership structure of the SFI, including an organizational chart showing the structure of the direct and/or indirect shareholdings analyzed according to holdings of voting rights, shares and/or other controlling interest. <p>REQUIRED DOCUMENTATION – INDIVIDUAL OR GROUP OF INDIVIDUALS</p> <p>SUBSIDIARIES AND STAND ALONES</p> <ul style="list-style-type: none">) Name and business and personal address of each individual applicant including mailing
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		<p>address of each individual making application</p> <ul style="list-style-type: none">) Purpose of change in the ownership structure) A description of the planned business activities following the change in ownership) Where the application is made by a group of individuals acting together (1) the date of formation, description of the history, details of the business activity, and current structure and organization of the applicant group and (2) a description of any dominant individuals in the group, including comments on their position within the group and those representing any outside beneficial interests) Group applicants must also provide a current statement of assets and liabilities certified by a certified public accountant and prepared no earlier than three months prior to the date of application for each member of the group who is to acquire, own, hold or exercise voting control of share capital in excess of 5% of the share in the proposed SFI (As Applicable)) Group applicants must also provide a concise net worth statement certified by a certified public accountant for each member of the group who is to acquire, own, hold or exercise voting control of share capital in a proposed SFI of 5% or more, and the statement must indicate that the individual member's net worth is at least five (5) times the value of shares to which the individual member is subscribing (As Applicable)) Details of the proposed shareholding of each individual shareholder of the proposed SFI and background information for each individual) Particulars concerning the composition and organisation of proposed board of directors and senior management and background
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		<p>information for each proposed director or senior member of management</p> <ul style="list-style-type: none">) Organizational chart detailing reporting lines and responsibilities) Particulars regarding internal organization including but not limited to staffing, logistics and information technology and management information systems (As Applicable)) A business plan for the first three years of operation) Name and address of external auditors and confirmation from the external auditors that the minimum capital requirements have been met. <p>Relevant Legislation/Policies/References</p> <ul style="list-style-type: none">) Sections 4 and 6(1) of the BTCRA,2000 - <u>BanksandTrustCompaniesRegulationAct 1.pdf</u>) <u>Banks and Trust Companies (Acquisition of Shares) Regulations, 2005</u>) <u>Regulation 9 of the Exchange Control Regulations</u> <p>[Branches only]</p> <ul style="list-style-type: none">) Sections 4 of the BTCRA,2000 <u>BanksandTrustCompaniesRegulationAct 1.pdf</u>
Mergers/Acquisitions	7 TO 10 WORKING DAYS	<p>REQUIRED DOCUMENTATION</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Original licence document from the SFI that will be acquired) Regulatory approvals from Foreign Regulators) Certified copies of the Board of Directors' Resolutions from both entities sanctioning the merger/acquisition

		<ul style="list-style-type: none">) Certified copies of the Board of Directors' resolutions from both entities relating to the transfer of shares) Rationale for the merger/acquisition) Certificate of Merger between the entities) Statements reflecting before and after financial position of the surviving/acquiring entity) Executed Merger Agreement or Sales Agreement) Articles of Merger between the two entities, duly stamped by the Registrar General's Department) Organizational Group Chart – before and after Merger/Acquisition) Details regarding branch closures and staff redundancies) Outsourcing agreements) Business Plan for the surviving/acquiring entity) Details regarding the proposed Directors/Officers and Shareholder <p>Authorized Agents/Dealers (Commercial Banks)</p> <ul style="list-style-type: none">) Original licence document from the SFI that will be acquired) Regulatory approvals from Foreign Regulators) Certified copies of the Board of Directors' Resolutions from both entities sanctioning the merger/acquisition) Certified copies of the Board of Directors' resolutions from both entities relating to the transfer of shares) Rationale for the merger/acquisition) Certificate of Merger between the entities) Statements reflecting before and after financial position of the surviving/acquiring entity
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		<ul style="list-style-type: none">) Executed Merger Agreement or Sales Agreement) Articles of Merger between the two entities, duly stamped by the Registrar General's Department) Organizational Group Chart – before and after Merger/Acquisition) Details regarding branch closures and staff redundancies) Outsourcing agreements) Business Plan for the surviving/acquiring entity) Details regarding the proposed Directors/Officers and Shareholder) Details regarding Branch Closures and Staff Redundancies <p style="text-align: center;">Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) Section 4 of the Banks and Trust Companies Regulation Act, 2000 <u>Banks and Trust Companies Regulation Act 1.pdf</u>) Regulation 9 of the Exchange Control Regulations <u>Exchange Control Regulations</u>
<p>Change in Name of an Existing SFI</p>	<p>7 TO 10 WORKING DAYS</p>	<p style="text-align: center;">REQUIRED DOCUMENTATION</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Board of Directors' Resolution) Rationale for name change) Original Licence Document) Certificate of Name Change <p>Branches</p> <ul style="list-style-type: none">) Rationale for name change

		<ul style="list-style-type: none">) Letter from Senior Executive of parent bank advising of the Name change) Confirmation of Home Regulator's approval for the name change) Original Licence Document <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) Section 7 of the BTCRA,2000 <u>BanksandTrustCompaniesRegulationAct 1.pdf</u>
Change in Financial Year-end	5 WORKING DAYS	<p>REQUIRED DOCUMENTATION</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Board of Directors' Resolution approving the change in year-end) Rationale for the change <p>Branches</p> <ul style="list-style-type: none">) Letter from a senior executive of the parent bank, confirming the change in year end) Rationale for change in year end <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) Section 4 of the Banks and Trust Companies Regulation Act <u>BanksandTrustCompaniesRegulationAct 1.pdf</u>
Filing Extensions of Audited Accounts/Publication	5 WORKING DAYS	<p>REQUIRED DOCUMENTATION</p> <p>Subsidiaries and Stand Alones/ Branches</p> <ul style="list-style-type: none">) Letter from Senior Management requesting the extension/exemption) Rationale for the Extension/Exemption) Draft Financials for the year of requested extension (on a case by case basis)

		<p>Special Notes:</p> <p>SFIs may apply for two (2) types of extensions, a thirty-day (30) and a sixty-day (60) extension to the deadline to file the Audited Financial Statements.</p> <p>AFS are due to the Bank 120 days upon the close of a SFI’s financial year end.</p> <p>SFIs may request an additional 30 day extension to an initial request of 30 days however, the Central Bank will not grant extensions beyond 60 days. Failure to submit AFS within a 60 day extension to the deadline to file the AFS may result in possible fines.</p> <p>Relevant Legislation/Policies/References</p> <p>Extension - Relevant Legislation:</p> <ul style="list-style-type: none">) Sections 10 of the BTCRA,2000 <u>BanksandTrustCompaniesRegulationAct 1.pdf</u> <p>Exemption - Relevant Legislation:</p> <ul style="list-style-type: none">) Section 8 of the BTCRA, 2000 <u>BanksandTrustCompaniesRegulationAct 1.pdf</u>
<p>Publication of Accounts Exemption/ Request for a waiver from publishing the Notes to the Financial Statements</p>	<p>5 WORKING DAYS</p>	<p>REQUIRED DOCUMENTATION</p> <p>Branch of a Foreign Bank and/or Trust Company</p> <ul style="list-style-type: none">) Written request for a waiver from publishing the Notes to the Financial Statements) Copy of the audited financial statements and notes of the year of requested waiver (Notes must exceed twenty (20) pages)

		<p>Locally Incorporated Bank and/or Trust Company</p> <ul style="list-style-type: none">) Written request for a waiver from publishing the Notes to the Financial Statements) Copy of the audited financial statements and notes of the year of requested waiver <p>Special Notes:</p> <p>-Where the External Auditors' opinion on the Audited Financial Statements contain a material matter, the entire note relevant to same must be published in the official gazette or on the SFI's website.</p> <p>-All SFIs are required to keep at least one copy of its AFS at its registered office in The Bahamas</p> <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) Section 8 of the Banks and Trust Companies Regulation Act, 2000, as amended by the Banks and Trust Companies Regulation (Amendment) Act, 2010 <p><u>BanksandTrustCompaniesRegulationAct_1.pdf</u></p> <p>Relevant Guidance Note:</p> <ul style="list-style-type: none">) Annual Publication of Audited Financial Statements issued 8th February, 2011 <p><u>Notice - Annual Publication of Accounts</u></p>
<p>Change in External Auditors</p>	<p>N/A</p>	<p>REQUIRED DOCUMENTATION</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Letter of notification from SFI advising of the change in external auditors and the effective date of the change) Board of Directors' resolution <p>Branches</p>

		<ul style="list-style-type: none">) Letter of notification from SFI advising of the change in external auditors and the effective date of the change <p>Relevant Legislation:</p> <ul style="list-style-type: none">) <u>Section 12 of the Banks and Trust Companies Regulation Act, 2000 (as amended)</u> <p>Relevant Guidelines:</p> <ul style="list-style-type: none">) <u>Guidelines on the Relationship Between External Auditors of the SFI and the Central Bank</u>
Change of Physical Address/Registered Office	N/A	<p>REQUIRED DOCUMENTATION</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Certified copy of the relevant Board of Directors' Resolution) Written confirmation from the SFI providing the rational for the change <p>Branches</p> <ul style="list-style-type: none">) Letter from a Senior Executive confirming the change in location) Written confirmation from the SFI providing the rational for the change <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) <u>Section 4 of The Banks & Trust Companies Regulation Act</u>
Appointment of Approved Persons	10 WORKING DAYS	<p>REQUIRED DOCUMENTS ¹</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Board of Directors' Resolution/Secretarial Certificate.

¹ More information on the required documents is included in the Glossary of Terms

		<ul style="list-style-type: none">) Curriculum Vitae.) Certified Passport Copy (or Certified National Identification Card which includes the full name, date and place of birth, nationality and domicile).) Two original Character References.) Original Financial Reference.) Original Police Certificate.) Notarized Confidential Statement.) Job Description (in the case of Senior Officials only).) Certified Net worth Statement (in the case of new shareholders) – As Applicable.) Certified copies of relevant diplomas in support of the MLRO appointment (MLRO appointment only).) Organizational Chart showing the reporting relationship (MLRO appointment only). The chart must demonstrate that the MLRO has direct access to the Board. A direct (solid) reporting line should be drawn to the board and a dotted line should be drawn to Senior Management for functional reporting to management. <p>Branches of Foreign banks (For positions considered to be Regulated Functions For Branches)</p> <ul style="list-style-type: none">) Letter from parent bank sanctioning the appointment.) Curriculum Vitae.) Certified Passport Copy (or Certified National Identification Card which includes the full name, date and place of birth, nationality and domicile).) Two original Character References.) Original Financial Reference.) Original Police Certificate.) Notarized Confidential Statement.) Job Description (in the case of Senior Officials only).
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		<ul style="list-style-type: none">) Certified copies of relevant diplomas in support of the MLRO appointment (MLRO appointment only).) Organizational Chart showing the reporting relationship (MLRO appointment only). <p style="text-align: center;">Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) Section 4 of the Banks and Trust Companies Regulation Act, 2000, and The Banks and Trust Companies (New Appointments) Regulations, 2005 <p style="text-align: center;"><u>Banks & Trust Companies Regulation Act 1.pdf</u></p> <p>Relevant Guidelines:</p> <ul style="list-style-type: none">) <u>Guidelines for the Corporate Governance of Banks and Trust Companies Licenced to do Business within and From within The Bahamas;</u>) <u>Guidelines for Assessing the Fitness and Propriety of Applications for Regulated Functions</u>) <u>Guidelines for the Minimum Standards for Character and Financial Reference Letters</u>) <u>Guidelines For Assessing The Fitness and Propriety of Money Laundering Reporting Officers in The Bahamas.</u>) <u>Quarterly Letter to all Senior Officials July, 2011</u>) <u>Quarterly Letter to all Senior Officials October, 2011</u> <p> ¹ More information on the required documents is included in the Glossary of Terms </p>
Surrender of Banking and Trust Licences	10 WORKING DAYS	Required Documentation for the Surrender of a licence for SFI:

		<p>SFIs seeking to voluntarily wind up their operations should provide the following information and documentation:</p> <ul style="list-style-type: none">) Original licence document;) Board resolution sanctioning the winding up/voluntary liquidation of the company and appointing the Liquidator and subsequent surrender of licence;) Name and contact information of the Liquidator, inclusive of telephone number, mailing and email addresses;) A detailed plan, including relevant timeframes, advising how the SFI intends to wind up its affairs in an orderly manner;) Confirmation from the directors/auditors/liquidators that the SFI has ceased to carry on any banking and/or trust business except in so far as may be required for the beneficial winding up of the SFI and details regarding the transfer of all trusts;) A balance sheet as at the date of the commencement of the winding up of the SFI reflecting all existing assets and liabilities;) Certification from the directors/auditors/liquidators of all unresolved, unsatisfied or un-discharged complaints or legal actions against the SFI;) Copy of the notice as published in the Gazette of the resolutions passed for the winding up of the company. <p>Requirements from the appointed Liquidator:</p> <ul style="list-style-type: none">) Reports of assets and liabilities, on a quarterly basis, until the liquidation is complete;) On completion of the liquidation, supply to The Central Bank certification that all liabilities have been settled and any remaining assets appropriately distributed
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		<p>for the licensee. A copy of the Final Report to the Shareholders showing the distribution of assets/liabilities/capital should also be provided for our record;</p> <ul style="list-style-type: none">) A copy of the letter of Dissolution from the Registrar General’s Office advising that Euro-Dutch has been removed from the Register of Companies, once available;) Copy of the Public Notification of Dissolution as published in the Official Gazette (once available). <p>Once the liquidator has confirmed that the SFI has ceased to carry on any banking and/or trust business except in so far as may be required for the beneficial winding up of the SFI and all required documentation has been received, the Governor may order the surrender of the bank and/or trust licence.</p> <p>Required Documentation for the Surrender of a Licence for Branches</p> <p>SFIs seeking to wind up their branch operations should provide the following information and documentation:</p> <ul style="list-style-type: none">) Original licence document;) Letter from a Senior Officer certifying that branch has ceased its operations and that liabilities have been settled with residual assets transferred; and) Direct contact with the Home Regulator should be made to ascertain the actions regarding the banking group. <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) Section 18A of the Banks and Trust Companies Regulation Act, 2000 <u>BanksandTrustCompaniesRegulationAct 1.pdf</u>
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		<p>Relevant Guidelines:</p> <ul style="list-style-type: none">) Procedures for the Voluntary Liquidations and Subsequent Revocation of a Banking or Trust Licence. <u>Liquidation and Revocation Guidelines</u>
Removal of A PTC from The Register	7 WORKING DAYS	<p>REQUIRED DOCUMENTATIONS</p> <ul style="list-style-type: none">) Written request from the Registered Representative to have the PTC removed from the register. The request should be submitted within seven (7) days of the date of the shareholder’s resolution which evidences the decision for the cessation of the PTC) Shareholder’s resolution to cease operations as PTC and if company no longer will be in existence resolution should reflect decision to dissolve) If applicable, evidence of both dissolution of company and that it was removed or struck off the Companies Register) Companies remaining in existence as non-PTC companies should submit Registrar General’s certified filed copies of amended memo and arts reflecting the removal of trust business from those documents.
Outward Authorizations	10 WORKING DAYS	<p>REQUIRED DOCUMENTATION FOR THE ESTABLISHMENT OF AN OVERSEAS BRANCH</p> <ul style="list-style-type: none">) An application letter advising of:- <ul style="list-style-type: none"> (a) The purpose/rationale for establishing the branch; (b) The proposed name of the branch; (c) The proposed location of branch activities and whether a physical presence will be maintained at that location; and (d) The principle activities which it seeks to carry on through the branch and the targeted clients

		<ul style="list-style-type: none">) An indication of the level of the applicant’s involvement and participation in managing and monitoring the business of the branch, (e.g. management and staff members performing duties);) The pre and post-acquisition organizational chart of the applicant’s group;) The proposed management;) Information on the Statutory Auditors) Information on the Business Rules and Internal Organization;) A comprehensive business plan;) Board of Directors’ Resolution authorizing the establishment of the branch; and) A letter from the host regulator indicating their approval or non-objection to the establishment of a branch in their country. <p style="text-align: center;">REQUIRED DOCUMENTATION FOR THE ESTABLISHMENT OF AN OVERSEAS SUBSIDIARY</p> <ul style="list-style-type: none">) An application letter advising of:- <ul style="list-style-type: none"> (a) The name of the subsidiary; (b) The place where it would be established and whether it would maintain physical presence at that location; (c) The rationale for establishing the subsidiary; (d) The proposed ownership structure; and (e) The short and long term objectives and business strategy of the subsidiary.) The business plan of the subsidiary (including business activities, projected financial statements, inclusive of balance
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		<p>sheet, profitability, capital adequacy, etc., for the first three years of business activity);</p> <ul style="list-style-type: none">) The funding strategy of the subsidiary (including the extent of support from the parent, e.g. by means of injecting capital or issuing guarantees, letters of comfort or other assurances);) The degree of the applicant’s involvement and participation in managing and monitoring the business of the subsidiary, e.g. the number, due diligence & qualification particulars regarding the applicant’s directors to be appointed to the Board of Directors;) The statutory auditors, (i.e. name and address of proposed auditors and, where appropriate details of arrangements for the review of the operations of the subsidiary);) Information as to whether the subsidiary will be subject to the supervision of the financial sector regulator in the host country;) Limits, controls and reporting procedures to be established by the application over the activities of the subsidiary;) The management structure (e.g. proposed management, any specialised committees, etc.);) The key business rules and internal control systems of the subsidiary;) Organizational chart of the SFI’s banking group, inclusive of the proposed subsidiary;
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		<ul style="list-style-type: none">) The Board of Directors' Resolution authorizing the establishment of the subsidiary; and) A letter from the host regulator indicating their approval or non-objection to the establishment of a subsidiary in their country. <p>REQUIRED DOCUMENTATION FOR THE ACQUISITION OF FIFTY-ONE PERCENT OR MORE OF AN OVERSEAS ENTITY</p> <ul style="list-style-type: none">) An acquisition letter advising of:- <ul style="list-style-type: none"> (a) The name of the entity; (b) The place and date of incorporation or establishment; (c) The primary activities of the entity; (d) The rationale for acquiring the entity; (e) The percentage of the shareholding to be acquired and the proposed ownership structure; (f) The location of the operation and whether a physical presence will be maintained at that location; and (g) The cost of acquisition (including any goodwill) or investments and how it will be funded.) Financial information on the entity, inclusive of its audited financial statements for the last three years and unaudited financials for the four quarters prior to the application date (e.g. balance sheet, profitability, capital adequacy ratios, etc. should be displayed);) The short and long term objectives and business strategy for the entity;) The business plan for the entity (including projected financial statements for the first three years of business activity);
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		<ul style="list-style-type: none">) The funding strategy of the entity (including the extent of support from the parent, e.g. by means of injecting capital or issuing guarantees, letters of comfort or other assurances);) The degree of the applicant’s involvement and participation in managing and monitoring the business of the entity, (e.g. number, due diligence & qualification particulars regarding the applicant’s directors to be appointed to the Board of Directors);) The statutory auditors, i.e. name and address of proposed auditors and, where appropriate, details of arrangements for the review of the operations of the entity;) Limits, controls and reporting procedures to be established by the applicant over the activities of the entity;) The proposed management structure (e.g. proposed management and any specialised committees);) The key business rules and internal control systems of the entity;) Information as to whether the subsidiary will be subject to the supervision of a banking regulator in its place of incorporation or establishment;) Organizational chart showing the structure of the direct and indirect shareholdings of the applicant analysed according to holdings of voting rights and/or shares;) Copy of the act, charter, certificate of incorporation and Memorandum and Articles of Association of the entity, as may
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		<p>be appropriate, verified by statutory declaration made by a director or the secretary duly authenticated under public seal of the jurisdiction in which the applicant has been incorporated;</p> <ul style="list-style-type: none">) The Board of Directors' Resolution authorizing the acquisition;) Certificate of Good Standing or equivalent document from the host regulator regarding the entity's history of performance and compliance; and) Letter from the host regulator indicating their approval or non-objection to the acquisition of the entity. <p style="text-align: center;">REQUIRED DOCUMENTATION FOR THE ESTABLISHMENT OF AN OVERSEAS REPRESENTATIVE OFFICE</p> <ul style="list-style-type: none">) An application letter:- <ul style="list-style-type: none"> (a) Detailing the purpose for establishing a representative office and where it would be located (i.e. identification of the host country); and (b) Describing how the representative office will be operated, i.e. primary functions, proposed personnel resources and administrative arrangements;) The Board of Directors' Resolution authorizing the establishment of a representative office in the host country;) Letter from host regulator indicating their approval or non-objection to the establishment of the representative office;) A written undertaking from the applicant or statements signed by the directors of the applicant that the conditions/requirements
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		<p>to the operation of a representative office will be adhered to;</p> <ul style="list-style-type: none">) Comprehensive information on the proposed resident manager of the representative office, inclusive of curriculum vitae, two character references, one financial reference and a police certificate;) A written acknowledgement from the resident manager of the representative office that is domiciled in the host country, stating that he/she understands the conditions applicable to the operation of the representative office and that he/she will uphold the conditions; and) The name and position of the officer in the applicant's office to whom the resident manager will report and an outline of how the operations of the representative office are to be monitored, to ensure that the conditions attached to the operation of the office are observed. <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) Section 5 of the Banks and Trust Companies Regulation Act, 2000 <u>BanksandTrustCompaniesRegulationAct_1.pdf</u> <p>Relevant Guidelines:</p> <ul style="list-style-type: none">) Guidelines for the Establishment or Acquisition of Overseas Branches, Subsidiaries and Representative Offices <u>http://www.centralbankbahamas.com/download/Overseas%20Operations.pdf</u>
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<p>Request to Transfer Nominee Shares</p>	<p>7 TO 10 WORKING DAYS</p>	<p>REQUIRED DOCUMENTATIONS</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Board of Directors Resolution approving the transfer of shares) Due diligence documents on behalf of the transferee (*see documents required for approved persons) <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) <u>Section 6 (1) of the Banks and Trust Companies Regulation Act, 2000</u>, as amended by the Banks and Trust Companies Regulation (Amendment) Act, 2010) <u>Regulation 9 of the Exchange Control Regulations</u>
<p>Transfer of Shares</p>	<p>7 TO 10 WORKING DAYS</p>	<p>REQUIRED DOCUMENTATIONS</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Board of Directors' Resolution/Secretarial Certificate approving the transfer of the shares;) Capital Plan (inclusive of before and after capital adequacy ratios); and) Due diligence documents on behalf of the individual/company acquiring the shares. <p>Branches</p> <ul style="list-style-type: none">) Capital Plan (inclusive of before and after capital adequacy ratios) <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) Section 6 of the Banks and Trust Companies Regulation Act, 2000, and The Banks and Trust Companies (New Appointments) Regulations, 2005 <u>Section 6 (1) of the Banks and Trust Companies Regulation Act, 2000</u>,) Regulation 8 of the Exchange Control Regulations

<p>Acquisition Of A Business Line</p>	<p>7 to 10 working days</p>	<p style="text-align: center;">REQUIRED DOCUMENTATIONS</p> <p>Subsidiaries and Stand Alones/ Authorized Agents/Dealers (Commercial Banks)</p> <ul style="list-style-type: none">) Certified copies of the Board of Directors' approving Resolution for the Acquisition of a Business Line) Updated Business Plan/Strategy (rationale for acquisition)) Financial forecast based on projected level of Activity) Details regarding Impact to staff (New Hires)) Outsourcing Agreements (If applicable)) Business Plan for the surviving/acquiring entity) A copy of the sale/purchase agreement) Confirmation of the executed sale/purchase agreement) Latest capital Adequacy Calculation <p style="text-align: center;">Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) <u>Section 4 of The Banks & Trust Companies Regulation Act</u>
<p>Rebranding of an Existing SFI</p>	<p>7 TO 10 WORKING DAYS</p>	<p style="text-align: center;">REQUIRED DOCUMENTATIONS</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Letter from SFI advising of the intention to rebrand) Rationale for the rebranding) Board of Directors' Resolution sanctioning the rebranding <p>Branches</p> <ul style="list-style-type: none">) Letter from SFI advising of the intention to rebrand) Rationale for the rebranding) Letter from a senior executive at the Parent Bank approving the rebranding

		<p align="center">Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) <u>Section 4 of The Banks & Trust Companies Regulation Act</u> (as amended)
Dividend Payment	<p>5 TO 7 WORKING DAYS</p>	<p align="center">REQUIRED DOCUMENTATIONS</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Board of Directors' Resolution) Letter from Senior Executive of the bank advising of comprehensive risk assessment: adequacy of provisioning, liquidity and capital) Particulars of the dividend payment <p>Branches</p> <ul style="list-style-type: none">) Letter from Senior Executive of the bank advising of comprehensive risk assessment: adequacy of provisioning, liquidity and capital) Particulars of the dividend payment <p align="center">Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) <u>Sections 6(2) of the BTCRA,2000</u>) <u>Section 3 & 4 of the BTC (Payment of Dividends) Regulation, 2005</u> <p>Relevant Guidelines: NA</p> <p>Other Notes:</p> <ul style="list-style-type: none">) Governor's letters on Forward Looking Provisions & Dividends dated 15/11/09 & 11/05/10
Increase in Capital/ Reduction of Capital	<p>7 TO 10 WORKING DAYS</p>	<p align="center">REQUIRED DOCUMENTATIONS</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Board of Directors' Resolution/Secretarial Certificate) Capital Plan (inclusive of before and after capital adequacy ratios)) Latest quarterly unaudited financial statement) Business rationale for capital decrease

		<p>Branches</p> <ul style="list-style-type: none">) Capital Plan (inclusive of before and after capital adequacy ratios)) Latest quarterly unaudited financial statement) Business rationale for capital decrease <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) Section 6 of the Banks and Trust Companies Regulation Act, 2000, and The Banks and Trust Companies (New Appointments) Regulations, 2005) Regulation 8 of the Exchange Control Regulations <p>Relevant Guidelines: Guidelines for the Management of Capital and the Calculation of Capital Adequacy</p>
Increase/Decrease in Operating Hours	N/A.	<p>REQUIRED DOCUMENTATIONS</p> <p>Subsidiaries and Stand Alones/ Branches</p> <ul style="list-style-type: none">) Letter of notification and rationale) Board of Directors' resolution approving the change in operating hours <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) <u>Section 4 of The Banks & Trust Companies Regulation Act</u>
Opening or Closure Of A Domestic Branch	Processing period to be determined on a case-by-case basis.	<p>REQUIRED DOCUMENTATIONS</p> <p>Opening of a Domestic Branch:</p> <p>Subsidiaries</p> <ul style="list-style-type: none">) Business rationale inclusive of necessary arrangements (security, staffing, etc.) for the safe and prudent operations of the branch) Board Resolution) Letter from SFI requesting the opening of domestic branch <p>Branches</p>

		<ul style="list-style-type: none">) Business rationale inclusive of necessary arrangements (security, staffing, etc.) for the safe and prudent operations of the branch) Letter from SFI requesting the opening of domestic branch <p>Closure of a Domestic Branch:</p> <p>Subsidiaries</p> <ul style="list-style-type: none">) Business rationale inclusive of necessary arrangements (staffing, etc.) of the branch) Board Resolution) Letter from SFI requesting the closure of domestic branch <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) <u>Section 4 of The Banks & Trust Companies Regulation Act</u>
Large Exposures	5 TO 7 WORKING DAYS	<p>REQUIRED DOCUMENTATIONS</p> <ul style="list-style-type: none">) Letter of application, inclusive of the purpose of the loan exposure, the sector/category, and the maturity date of the loan) Board of Director’s resolution, approving the credit facility) Type of securities to be pledged, ratings, and country of origin of securities to be held as collateral, in support of the loan) A copy of Board-approved current Large Exposure Policy) The basis on which principals of the bank consider that the security holdings are marketable) Confirmation that aggregate large exposures would not exceed 800% of the SFI’s total capital base at any given time
Outsourcing of Material Function	15 WORKING DAYS	<p>REQUIRED DOCUMENTATIONS</p> <p>Subsidiaries and Stand Alones</p> <ul style="list-style-type: none">) Board of Directors’ Resolution authorizing approval for the Service Level Agreement (“SLA”)

		<ul style="list-style-type: none">) Copy of the Service Level Agreement) Business rationale for the Outsourced Function) Outline of the key risks involved in the outsourcing arrangements and the risk mitigation strategies) Details relating to the proposed service provider) Statement certifying that outsourcing arrangement has been approved in accordance with the SFI's policies governing outsourced functions) Statement certifying that the agreement complies with and covers Bahamian statutory requirements on anti-money laundering and record keeping procedures and practices.) Statement certifying that the SFI will continue to comply with the physical presence requirements set out in the Guidelines for Minimum Physical Presence Requirements for Banks and Trust Companies Licensed in The Bahamas. <p>Branches</p> <ul style="list-style-type: none">) Copy of the Service Level Agreement) Business rationale for the Outsourced Function) Outline of the key risks involved in the outsourcing arrangements and the risk mitigation strategies) Details relating to the proposed service provider) Statement certifying that outsourcing arrangement has been approved in accordance with the SFI's policies governing outsourced functions) Statement certifying that the agreement complies with and covers Bahamian statutory requirements on anti-money laundering and record keeping procedures and practices.
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		<p>) Statement certifying that the SFI will continue to comply with the physical presence requirements set out in the Guidelines for Minimum Physical Presence Requirements for Banks and Trust Companies Licensed in The Bahamas.</p> <p>Relevant Legislation/Policies/References</p> <p>Relevant Guidelines:</p> <p>) <u>Guidelines on the Minimum Standards for the Outsourcing of Material Functions (revised 27th August, 2009)</u></p>
<p>Issuance of Notes</p>	<p>7 TO 10 WORKING DAYS</p>	<p>REQUIRED DOCUMENTATIONS</p> <p>Subsidiaries and Stand Alones</p> <p>) Board of Directors' Resolution</p> <p>) Offering Memorandum/Circular summarizing key terms/conditions of the Notes</p> <p>) Letter of Comfort (LOC) from the parent bank</p> <p>) Rationale for the Notes Issuance Programme</p> <p>Branches</p> <p>) Offering Memorandum/Circular summarizing key terms/conditions of the Notes</p> <p>) Letter of Comfort (LOC) from the parent bank</p> <p>) Rationale for the Notes Issuance Programme</p> <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <p>) <u>Sections 4 and 6(1) of the Banks and Trust Companies Regulation Act, 2000</u></p> <p>) <u>Regulation 8 of the Exchange Control Regulations</u></p> <p>Relevant Guidelines:</p>

		<p>) <u>Guidelines for the Management of Capital and Calculation of Capital Adequacy</u></p> <p><u>Guidelines for the Minimum Standards for Letter of Comfort</u></p>
Share Issuance	7 TO 10 WORKING DAYS	<p>REQUIRED DOCUMENTATIONS</p> <p>) Secretarial Certificate/Board Resolution</p> <p>) Due Diligence documents for new shareholders inclusive of the following:</p> <ul style="list-style-type: none"> -Detailed Curriculum Vitae. -Certified Passport Copy (or Certified - National Identification Card which includes the full name, date and place of birth, nationality and domicile). -Two original Character References. -Original Financial Reference. -Original Police Certificate. -Notarized Confidential Statement. <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <p>) Section 6 of the Banks and Trust Companies Regulation Act, 2000, and The Banks and Trust Companies (New Appointments) Regulations, 2005 <u>Section 6 (1) of the Banks and Trust Companies Regulation Act, 2000,</u></p> <p>) Regulation 8 of the Exchange Control Regulations</p>
Notification of Opening/Closure of Domestic Branch	N/A	<p>REQUIRED DOCUMENTATIONS</p> <p>Subsidiaries</p> <p>) Business rationale inclusive of necessary arrangements (security, staffing, etc.) for the safe and prudent operations of the branch</p> <p>) Board Resolution</p> <p>) Letter from SFI requesting the opening of domestic branch</p> <p>Branch</p>

		<ul style="list-style-type: none">) Business rationale inclusive of necessary arrangements (security, staffing, etc.) for the safe and prudent operations of the branch) Letter from SFI requesting the opening of domestic branch <p>Relevant Legislation/Policies/References</p> <p>Relevant Legislation:</p> <ul style="list-style-type: none">) <u>Section 4 of The Banks & Trust Companies Regulation Act</u>
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DRAFT

Appendices-References

Pro-Forma-Character Reference (Individual)

John Doe¹
123 Parkway Avenue²
P. O. Box: N-0000
Nassau, The Bahamas
Email: jd@gmail.com

(T) 1-222-333-4444 (C) 1-444-555-6666 (F) 1-555-999-7777

1st January, 2018³

Ms. Karen Rolle
Deputy Inspector
Bank Supervision Department
The Central Bank of The Bahamas
Market Street
Nassau, Bahamas

Dear Mrs. Rolle:

RE: Mrs. Jane Capital

The referee must have known Mrs. Jane Capital for [xx]⁴ years. The referee must be independent, without an interest in the acceptability of the reference and should not have a familial relationship to the applicant. References should address the applicant's honesty, integrity and reputation as well as the competence and capability of the applicant for the proposed role.

References must be presented in original form.

Regards,

John Doe⁵

[Signature]⁶

¹References from individuals must give the signatory's full name.

² References must give the referees address (including mailing and street addresses) e-mail, telephone and facsimile number(s).

³ References must be dated within three months of receipt of the application by the Central Bank.

⁴ Referee must have known the applicant for a period of not less than five (5) years.

⁵ Where a character reference is provided by an individual, that individual should be known to the Central Bank or his/her identity should be verifiable.

⁶ References must be signed.

Pro-Forma- Character Reference (Corporation)

ABC Company Ltd.⁷
123 Parkway Avenue⁸
P. O. Box: N-0000
Nassau, The Bahamas
Email: email@abc.com

(T) 1-222-333-4444 (C) 1-444-555-6666 (F) 1-555-999-7777

1st January, 2018⁹

Ms. Karen Rolle
Deputy Inspector
Bank Supervision Department
The Central Bank of The Bahamas
Market Street
Nassau, Bahamas

Dear Ms. Rolle:

RE: Mrs. Jane Capital

The referee must have known Mrs. Jane Capital for [xx]¹⁰ years. The referee must be independent, without an interest in the acceptability of the reference and should not have a familial relationship to the applicant. References should address the applicant's honesty, integrity and reputation as well as the competence and capability of the applicant for the proposed role.

Where a character reference is provided by an individual, that individual should be known to the Central Bank or his/her identity should be verifiable. The character reference must be presented in original form.

Regards,

[Signature]
John Doe,¹¹

⁷ Applicable in the case of institutions writing on behalf of applicants. The character reference must be provided on official company letterhead with the name and title of the signatory clearly presented.

⁸ References must give the referee's title, institution's address (including mailing and street addresses) e-mail and telephone and facsimile number(s).

⁹ References must be dated within three months of receipt of the application by the Central Bank;

¹⁰ Referee must have known the applicant for a period of not less than five (5) years.

¹¹ References must be signed and the signatory's name must be printed below the signature.

Pro-Forma-Financial Reference

CEO
ABC Company Ltd.¹²
123 Parkway Avenue¹³
P. O. Box: N-0000
Nassau, The Bahamas
Email: abc@gmail.com
(T) 1-222-333-4444 (C) 1-444-555-6666
1st January, 2018¹⁴

Ms. Karen Rolle
Deputy Inspector
Bank Supervision Department
The Central Bank of The Bahamas
Market Street
Nassau, Bahamas

Dear Ms. Rolle:

RE: Mrs. Jane Capital

Financial references should be provided by a financial institution Licensed to conduct banking and/or trust business in The Bahamas or in another jurisdiction which conducts supervision in accordance with the Basel Core Principles for Effective Banking Supervision.

References should provide a description of the nature and conduct of the financial relationship and the financial relationship must have been in existence for at least [xx]¹⁵ years.

References must be presented in original form.

Regards,

[Signature]¹⁶
John Doe
Branch Manager

¹² Applicable to all financial institutions writing on behalf of applicants. The financial reference must be provided on official company letterhead.

¹³ Financial references must provide the institution's name, address (including mailing and street addresses) e-mail and telephone and facsimile number(s).

¹⁴ References must be dated within three months of receipt of the application by the Central Bank.

¹⁵ The financial relationship must have been in existence for a period of not less than three years.

¹⁶ Financial references must be signed with the name and title of the signatory clearly presented.

**Appendix-Administrative Monetary Penalty
Regime**

Administrative Monetary Penalties Regime

**SUPERVISORY AND REGULATORY GUIDELINES Administrative Monetary Penalties Guidelines Issued:
19th May, 2016**

Last Amended: 27th February, 2017

The Central Bank of The Bahamas' ("the Central Bank") main responsibility is the supervision of banks, trust companies, Registered Representatives, Credit Unions, Non-bank Money Transmission Businesses and Money Transmission Agents ("Supervised Financial Institutions" or "SFIs") operating in and from within The Bahamas pursuant to the Banks and Trust Companies Regulation Act, 2000 ("BTCRA"), and the Central Bank of The Bahamas Act, 2000. In this regard, all SFIs are expected to adhere to the Central Bank's licensing or registration and prudential requirements and ongoing supervisory programs, including periodic onsite examinations, and required regulatory reporting. Additionally, SFIs are expected to conduct their affairs in conformity with all other relevant Bahamian legal requirements. The BTCRA and the Banks and Trust Companies (Administrative Monetary Penalties) Regulations, 2016 ("AMP Regulations") and the Administrative Monetary Penalty Guidelines ("AMP Guidelines") set out the procedures that the Central Bank will generally follow when it has cause for concern regarding the operations of a SFI or in the event of non-compliance by any person or entity with applicable legislation, orders, directives, conditions or limitations of the Central Bank.

Administrative Monetary Penalties ("AMP") are monetary sanctions imposed by the Central Bank under statutory authority in respect of the aforementioned matters, without the Central Bank having to go to court. This tool supports and enhances the Central Bank's efforts to ensure compliant behavior by providing the Bank with greater flexibility and responsiveness while enabling it to achieve prompt, effective, measured, proportionate and equitable resolution of particular contraventions in order to meet its regulatory objectives. Specifically, the Central Bank has the power to impose penalties against any SFI/individual with respect to a contravention of any provision of the BTCRA, any Regulations made under that Act, any direction issued or order made by the Central Bank or any condition and/or limitation imposed by the Central Bank. The imposition of penalties is designed to prevent, or at least reduce recourse to more costly and time consuming enforcement action such as criminal prosecution.

The BTCRA and AMP Regulations classify contraventions as "minor", "serious" or "very serious". Penalties may be imposed on a lump sum basis up to the specified maximum set out below, against individuals and/or corporate entities in the case of a serious or very serious contravention, or a minor contravention that is not a late or erroneous filing of returns. The filing of a late or erroneous return attracts a penalty at the prescribed per diem rate of \$250. Penalties for late or erroneous filings may only be imposed against companies. A listing of the various contraventions in respect of which the Central Bank may impose penalties and the classifications of each such contravention is set out in the First Schedule to the AMP Regulations. Please view the table below:

CLASS		INDIVIDUAL	COMPANY	COMPANY
		Lump sum	Lump sum	Per diem
Minor	Non- LEF ¹	\$2,500	\$10,000	N/A
	LEF ²	N/A ³	N/A	\$250 (up to a maximum of \$10,000)
Serious		\$5,000	\$50,000	N/A
Very serious		\$10,000	\$100,000	N/A

Section 24C of the BTCRA requires the Central Bank to choose whether to proceed with an act of regulatory non-compliance as a contravention in respect of which a penalty may be imposed, or whether to proceed by way of a criminal prosecution. Once the election is made, the Central Bank is precluded from proceeding in the alternative manner. Proceedings relating to a minor contravention must be brought no later than six months from the date on which the contravention came to the knowledge of the Central Bank. Proceedings relating to a serious or very serious contravention must be brought no later than six years from the date on which the contravention came to the knowledge of the Central Bank (BTCRA Section 24G(1)).

The Central Bank assesses “harm” in relation to the degree to which the contravention jeopardizes the interests of depositors, or other creditors, the beneficiaries of any trust, the financial system of The Bahamas or the Central Bank’s regulatory program. The Central Bank may make public a statement of the contravention or offence in respect of which it imposes a penalty. Publication will be made in respect of serious and very serious contraventions on the Central Bank’s website and such publication would include, inter alia, the name of the person that committed the contravention, the nature of the contravention, and the amount of the penalty imposed.

Overall, the objective of the AMP Regulations and Guidelines is to promote awareness and enhance transparency of the penalties regime for SFIs and other relevant parties. The circumstances under which the Central Bank would undertake other intervention and enforcement measures are set out in the Guide to the Central Bank’s Ladder of Supervisory Intervention.

For further information please see the Central Bank’s Banks And Trust Companies (Administrative Monetary Penalties) Regulations, 2016 vide link here: <http://www.centralbankbahamas.com/download/005961700.pdf> and the Supervisory and Regulatory Guidelines for Administrative Monetary Penalties Issued: 19th May, 2016 (Last Amended: 27th February, 2017) vide link <http://www.centralbankbahamas.com/download/060987700.pdf>.

PROTOCOLS FOR LICENCEES REGARDING ADMINISTRATIVE MONETARY PENALTIES

1. Upon the receipt by email of a Notice of Contravention (“Notice”) from the Central Bank of The Bahamas (“Central Bank”) the person on whom the Notice is served, has the following options:
 - (i) Pay the penalty proposed in the Notice without dispute within the time period specified; or
 - (j) Submit representation.
2. Where representations are made, the Central Bank will normally respond in writing within thirty (30) Days of receiving the representation.
3. The Central Bank will either:
 - (iii) Determine that, in light of the representations made, the person has committed the contravention or offence and will issue an Order setting out the penalty imposed in respect of the contravention or offence.
 - (iv) Determine that, in light of the representations made, it is not appropriate to impose the penalty. In this case, the penalty will be withdrawn and the concerned person will be advised in writing. No Order is issued.
4. With respect to contraventions involving the late and/or erroneous filing of routine returns that Supervised Financial Institutions (“SFI’s”) are required to submit to the Central Bank pursuant to section 9 of the BTCRA or other applicable legislation, no Notice of Contravention is required to be issued. The Central Bank will issue an Order in this case. SFI’s will be notified, by email, of late and/or erroneous filings within 5 days after receipt of such filings.
5. The Central Bank will provide each SFI that files returns late or with errors (in a particular calendar quarter) with an Order setting out late and/or erroneous returns recorded in that quarter. Orders are issued and mailed on or about the middle of the month following each calendar quarter. Note that Orders only list returns that were received by the Central Bank during the period and do not list returns that were due and not received during such period.
6. All penalties must be made payable to the Central Bank within the period specified by the Central Bank in its Notice or Order. Penalties may be subject to the accrual of interest for late payment. Interest shall be calculated at the same rate as interest payable on a court judgment (i.e. prime plus 2%) in accordance with the Civil Procedure (Award of Interest) Act. Payment instructions are to be found at the end of these protocols.
7. The Central Bank’s decision to impose a penalty for a serious or very serious contravention may be appealed to the Supreme Court of The Bahamas in accordance with section 26 of the BTCRA.

8. The Central Bank may make public a statement of the contravention or offence in respect of which it imposes a penalty. Publication will be made in respect of serious and very serious contraventions on the Central Bank's website and such publication would include, inter alia, the name of the person that committed the contravention, the nature of the contravention, and the amount of the penalty imposed.

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APPENDIX
Statutory/Regulatory Filing Requirements

#	Name of Document	# of Days to File/Due Date	Applicability
1.	Payment of Annual Licence Fee to the Central Bank	March 1st	All licensees, Money Transmission Businesses and Non-Licensor Registered Representatives
2.	Copy of the Registrar General's Fee Receipt		
3.	Audited Financial Statements	Within 120 days after the financial year end	All licensees, (except Nominee Trust Licensees)** Money Transmission Businesses and Non-Licensor Registered Representatives
4.	Copy of the Published Audited Financial Statements		All licensees (except Restricted Nominee Trust Companies, Restricted Banks and Restricted Trust Companies) and Money Transmission Businesses
5.	Copy of Group Organizational Chart	1st January	All licensees (except for Nominee Trust Companies)
6.	Corporate Governance Certification	Within 120 days after the calendar year end	All licensees (except Restricted Nominee Trust Companies or Restricted Trust Companies whose operations are limited to conducting business on behalf of one client or clients who are members of the same family) and Money Transmission Businesses

7.	Annual Statement as filed with the Registrar General	Within 10 days following the statutory deadline for filing with the Registrar General's Office	All locally incorporated Companies (under the Companies Act)
8.	Returns in respect of Beneficial Ownership of Shares	March 31st	All locally incorporated Companies under the Companies Act that have Bahamian ownership of sixty percent or more
9.	Management Letter from the External Auditors	Within 45 days after the expiration of the deadline for submission of the audited financial statements	All licensees and Money Transmission Businesses
10.	Monthly unaudited financial Statements	Within 15 business days after the month end	Domestic Banks (Authorized Agents and Dealers)
11.	Quarterly unaudited financial Statements	Within 15 business days after the quarter end	Public Licensees, Money Transmission Businesses and Non-Licensee Registered Representatives
12.	Auditors' Certification	Within 120 days after the calendar year end	Restricted Licensees (Not consolidated)
13.	Directors' Certification		Restricted Licensees (Not consolidated)
14.	Verification of Existing Clients Report	Within 21 days after the quarter end	Commercial Banks (Authorized Dealers)
15.	Restructured Loans Report	Within 15 days after the month end	

16.	Debt Service Ratio Report	Within 21 days after the month end	Commercial Banks (Authorized Dealers), as applicable
17.	Monthly Credit Quality Reports	Within 10 days of the month end	Domestic Banks (Authorized Agents and Dealers), as applicable
18.	Dormant Account Report	February 28th for accounts where 7 years has elapsed since the last customer initiated activity took place	All licensees
19.	Daily B\$ Position	Two business days after referenced period	Commercial Banks (Authorized Dealers)
20.	Weekly Interim Report	By noon on Tuesdays	Domestic Bank (Authorized Agents and Dealers)
21.	Directors' Certificate	31st January	Non-Licensee Registered Representatives
22.	Professional Indemnity Insurance Cover	31st December	Public Trust Companies
23.	Foreign Currency Daily Sales Submission Report	By 3:00 pm the following business day	Commercial Banks (Authorized Dealers)

**Provided the nominee trust licensee consolidates its financial statements into the annual audited financial statements of its parent, and the nominee trust licensee does not account for its own income and expenses.