EXTRAORDINARY

OFFICIAL GAZETTE
THE BAHAMAS

PUBLISHED BY AUTHORITY

NASSAU 27th July, 2020

No. 22 of 2020

BANKS AND TRUST COMPANIES REGULATION ACT, 2020

AN ACT TO REPEAL THE BANKS AND TRUST COMPANIES REGULATION ACT AND TO CONSOLIDATE AND MODERNISE THE LAW REGULATING BANKS AND TRUST COMPANIES WITHIN THE BAHAMAS AND FOR CONNECTED MATTERS

[Date of Assent - 24th July, 2020]

Enacted by the Parliament of The Bahamas

PART I - PRELIMINARY

1. Short title.

(1) This Act may be cited as the Banks and Trust Companies Regulation Act, 2020.

(2) This Act shall come into force on such date as the Minister may appoint by Notice published in the Gazette.

2. Interpretation.

In this Act —

"asset management vehicle" means a company that is—

(a) incorporated under the Companies Act (*Ch. 308*);

(b) limited by shares;

(c) wholly or partially owned by the Bank and or the Government;

(d) created for receiving some or all of the assets, rights and liabilities of a bank under statutory administration or a bridge institution;

"authorised agent" means a person designated by a bank or trust company under the provisions of section 6;

"Bahamas Agent" means a Registered Representative who provides administrative services to a private trust company under a service agreement;

"bank" means any person lawfully carrying on banking business including the accepting of deposits of money withdrawable by cheque;

"banking business" means —

(a) the business of accepting deposits of money which may be withdrawn or repaid on demand or after a fixed period or after notice and employing those deposits in whole or in part by lending or otherwise investing them for the account and at the risk of the person accepting them; and

(b) without limiting the generality of the foregoing, includes the provision of money transmission services, and **"banker"** shall be construed accordingly;

"bridge institution" is a company that is —

(a) incorporated under the Companies Act (*Ch. 308*);

(b) limited by shares;

(c) owned by the Central Bank; and

(d) created for receiving a transfer, and effecting a timely disposal of the assets, rights and liabilities of a bank under statutory administration; and

(e) licensed under this Act;

"company" means a company incorporated either under the laws of The Bahamas or under the laws of any other country or place;

"controller" means a person —

(a) in accordance with whose directions, instructions or wishes the directors or officers of a licensee, or of another company of which the licensee is a subsidiary, are accustomed or are under an obligation, whether formal or informal, to act;

(b) who is able to exercise a significant influence over the management of a licensee, or of another company of which it is a subsidiary by virtue of —

(i) a holding of shares or other securities in the licensee or such other company;