

The Central Bank of The Bahamas

GUIDANCE NOTE (GN: 01-03/08) rev. [04/11]

Re: Supervision of Nominee Activities of Subsidiaries and Related Companies of Banks and Trust Companies

This Guidance Note further clarifies the Central Bank's policy with respect to the **Annual Filing Requirements** of nominee trust licensees. This Guidance Notice supersedes and replaces **section B 1** of Guidance Note (GN: 01-03/08) on the Supervision of Nominee Activities of Subsidiaries and Related Companies of Banks and Trust Companies issued on 14th March 2008.

A. Annual Filing Requirements:

1. The requirement for nominee trust licensees to file annual audited financial statements with the Central Bank pursuant to section 8(1) of the Banks and Trust Companies Regulation Act, 2000 is waived, provided that:
 - a. the nominee trust licensee consolidates its financial statements into the annual audited financial statements of its parent; and
 - b. the nominee trust licensee does not account for its own income and expenses.
2. Where the nominee trust licensee does not consolidate its financial statements with that of its parent, such a licensee **is required** to submit an annual Director's and Auditor's Certificate confirming compliance with its licence mandate in lieu of annual audited financial statements to the Central Bank.
3. Where a nominee trust licensee does not consolidate its financial statements into the annual audited financial statements of its parent **and** accounts for its own income and expenses, such a licensee **is required** to submit annual audited financial statements to the Central Bank.

B. Effective Date:

1. This Guidance Note is effective immediately.
2. Nominee trust licensees, which are captured by **A 2** and **A 3** above, are required to arrange for an audit of their respective operations for the period ending 31st December 2010 or their most current financial year end and submit the Directors' and Auditors' Certificates **or** the audited financial statements, as appropriate, by **July 29th, 2011**.

Any questions regarding this Guidance Note should be directed to:

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