

The Central Bank of The Bahamas

GUIDANCE NOTICE

**Re: WAIVER OF MINIMUM NUMBER OF SHAREHOLDERS
REQUIREMENT FOR APPLICANTS FOR A RESTRICTED BANK
AND/OR TRUST COMPANY LICENCE**

Senior I Name, Email: Email Address
Licensee Name

WAIVER OF REGULATION 1(2) OF THE BANKS AND TRUST COMPANIES (LICENCE APPLICATION) REGULATIONS FOR APPLICANTS FOR A RESTRICTED BANK/AND OR TRUST COMPANY LICENCE

The Central Bank of The Bahamas (“the Bank”) has received representation from industry representatives regarding the requirement under Regulation 1(2) of the Banks and Trust Companies (Licence Application) Regulations, 2002, which requires that where individuals apply as a group for a license to operate a bank and/or trust company, the application be made by “no fewer than five (5) individuals” (the “group applicant requirement”). Specifically, the Bank has been asked to consider granting a waiver of this requirement to applicants seeking a licence for a **restricted** bank and/or trust company licence. Industry representatives have sought this waiver on the basis that the restricted nature of business of these entities would pose minimal risk to the financial system, given that holders of this class of licence are not able to accept deposits from or conduct business with the public and only shareholder(s) capital would be put at risk in the event of a failure.

Following consultations with industry representatives, the Bank advises that, pursuant to Regulation 4 of the Banks and Trust Companies (Licence Application) Regulations, 2002, as amended by the Banks and Trust Companies (Licence Application) Regulations, 2008 (S.I. No. 31 of 2008), the “group applicant requirement” is hereby waived for applicants seeking a **restricted bank and/or trust company licence**, provided that the licence is restricted to conducting business with or seeking/accepting deposits from the primary shareholder(s) and his/her or their “immediate family members”. The “immediate family members” are limited to the spouse and/or children of the primary shareholder(s).

This Guidance Note may also be viewed on the Bank's website in the Bank Supervision section under the heading Notes and Notices.

Any questions regarding this Guidance Note should be directed to:

*The Policy Unit
Bank Supervision Department
The Central Bank of The Bahamas
Market Street
P.O. Box N 4868
Nassau, Bahamas
Tel (242) 302-2615
Fax (242) 356-3909
Email: Policy@centralbankbahamas.com*

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