



EXTRAORDINARY
OFFICIAL GAZETTE
THE BAHAMAS
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NASSAU

31st December, 2003



No. 23 of 2003

**AN ACT TO AMEND
THE FINANCIAL TRANSACTIONS REPORTING ACT**

[Date of Assent:— 31st December, 2003]
Enacted by the Parliament of The Bahamas

- Short title** 1. (1) This Act may be cited as the Financial
and Transactions Reporting (Amendment) Act, 2003.
commence-
ment. (2) This Act shall come into force on the 1st day
Ch. 368. of January, 2004.
- Amendment** 2. Subsection (1) of section 3 of the principal Act
of section is amended by the deletion of paragraph (i) and the substitution
3 of the therefor of the following –
principal Act.
- " (i) an investment fund administrator
or operator of an investment fund
within the meaning of the
Investment Funds Act, 2003;"
- Amendment** 3. Section 6 of the principal Act is amended by
of section 6 of the deletion of subsection (6) and the substitution of the
the Principal following –

Act.

- " (6) A financial institution shall verify the identity of any facility holder of any facility in existence prior to the 29th December, 2000 (hereinafter referred to as "an existing facility"):

Provided that where an existing facility has not been verified under this section as of the 1st day of April, 2004, the financial institution shall notify its Supervisory Authority who shall issue directions in writing to the financial institution in relation to that facility and such directions shall include the power to suspend or discontinue any further activity with the facility until such time as the verification has been made.

- (7) In this section "Supervisory Authority" means –
- (a) where the financial institution is a licensee of the Central Bank, ~~the Central Bank~~;
 - (b) where the financial institution is a licensee or registrant of the Securities Commission of The Bahamas, the Securities Commission;

- (c) where the financial institution is a licensee of the Inspector of Financial and Corporate Service Providers, the Inspector;
- (d) where the financial institution is a licensee of the Registrar of Insurance, the Registrar; or
- (e) where the financial institution is not licensed or registered as set out in subparagraphs (i) – (v) of section 3(1), the Compliance Commission.

(8) Any action taken by a Supervisory Authority under subsection (6) shall not be treated as a breach of any law and shall not give rise to any civil liability."

Insertion of
a new section
10A into the
principal Act.

4. The principal Act is amended by the insertion immediately after section 10 of the following new section –

"Verification
where offence
under Proceeds
of Crime
Act suspected.

10A.(1) Notwith-
standing section 14, a
financial institution shall
verify the identity of any
person that conducts any
transaction (whether as a
facility holder or not)
through a financial
institution where the
financial institution
knows, suspects or has
reasonable grounds to
suspect that the transaction
or proposed transaction
involves proceeds of
criminal conduct as defined
in the

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Proceeds of Crime Act or
any offence under the
Proceeds of Crime Act or
an attempt to avoid the
enforcement of any
provisions of the Proceeds
of Crime Act.

Ch. 93.

(2) Where subsection (1) of this section applies, the financial institution shall verify the identity of the person as soon as practicable after the financial institution has reasonable grounds to suspect that a transaction is of the kind referred to under subsection (1)."