



EXTRAORDINARY
OFFICIAL GAZETTE
THE BAHAMAS
PUBLISHED BY AUTHORITY

NASSAU

11th August, 2010

Act 23/2010

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**CENTRAL BANK OF THE BAHAMAS
(AMENDMENT) ACT, 2010**

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No. 24 of 2010

CENTRAL BANK OF THE BAHAMAS (AMENDMENT) ACT, 2010

**AN ACT TO AMEND THE CENTRAL BANK OF THE BAHAMAS ACT
TO ENHANCE THE BANK'S REGULATORY POWERS; TO VALIDATE
THE BANK'S OWNERSHIP OF BALCONY HOUSE AND FOR
CONNECTED PURPOSES**

[Date of Assent – 11th August, 2010]

Enacted by the Parliament of The Bahamas

1. Citation and commencement.

- (1) This Act, which amends the Central Bank of The Bahamas Act¹, may be cited as the Central Bank of The Bahamas (Amendment) Act, 2010.
- (2) This Act shall come into force on a date to be appointed by the Minister by notice published in the Gazette.

2. Amendment of section 5 of the principal Act.

Section 5 of the principal Act is amended in subsection (1) as follows—

- (a) by the insertion immediately after paragraph (a) of the following paragraphs —
 - “(b) to ensure the stability of the financial system;
 - (c) to promote and ensure the establishment and oversight of a sound and efficient national payment system;”;
- (b) by re-lettering paragraphs (b) and (c) as paragraphs (d) and (e) respectively.

3. Amendment of section 18 of the principal Act.

Section 18 of the principal Act is amended in subsection (2) by the deletion immediately before the word “demand” of the word “the” and the substitution of the word “other”.

¹(Ch. 351),

4. Insertion of new Part VIA into the principal Act.

The principal Act is amended by the insertion immediately after section 24 of a new Part as follows —

“PART VIA – NATIONAL PAYMENT SYSTEM”

5. Repeal and replacement of section 25 of the principal Act.

Section 25 of the principal Act is repealed and replaced by the following —

“25. Central Bank to regulate payment systems.

The Central Bank may, in the exercise of its functions pursuant to paragraphs (b) and (c) of subsection (1) of section 5 —

- (a) establish, operate, organise, promote, participate or assist in the establishment, operation, organisation and promotion of, and regulate and oversee any system —
 - (i) for the clearing and settlement of payments and other arrangements for the making or exchange of payments;
 - (ii) for the clearing and settlement of securities and other arrangements for the exchange of securities; and
 - (iii) to facilitate the clearing and settlement including other arrangements for the making or exchange of payments or the exchange of securities as well as links among systems;
- (b) regulate and oversee the issuance, provision and functioning of payment instruments, operating either with or without the opening of an account, including the issuance of electronic money or any other forms of stored value.”.

6. Amendment of section 29 of the principal Act.

Section 29 of the principal Act is amended by the insertion immediately after subsection (3) of the following —

- “(4) Subject to the provisions of this Act, the Bank may purchase, acquire, lease, sell, let, sublet or create licences over, or otherwise dispose of, real property or any part thereof and may provide ancillary services in connection with such activities.”.

7. Amendment of section 30 of the principal Act.

Section 30 of the principal Act is amended as follows —

- (a) in paragraph (a), by the insertion after the semi-colon of the word “or”;
- (b) in paragraph (b), by the deletion of the semi-colon and the word “or” and the substitution of a full-stop; and

(c) by the repeal of paragraph (c).

8. Insertion of new section 45 into the principal Act.

The principal Act is amended by the insertion immediately after section 44 of the following new section —

“45. Validation of acts of the Bank.

Every act or thing done by the Bank prior to the commencement of this Act that would have been lawful if subsection (4) of section 29 had been in force at the time when it was done is hereby validated and declared to have been lawfully done by the Bank.”.

9. Amendment of the Schedule to the principal Act.

The Schedule to the principal Act is amended by the following —

(a) the repeal and replacement of subparagraph (2) of paragraph 3 as follows —

“(2) Subject to subparagraph (1), a person may not be appointed or remain a director who is a member of either House of Parliament.”; and

(b) the repeal and replacement of sub-subparagraph (d) of paragraph 6 as follows —

“(d) is a director, officer or employee of, or is a shareholder with an interest of one per cent or more in the ordinary paid up share capital of, or has a controlling interest in, any financial institution, trust company or money transmission business regulated by the Central Bank,”.