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**OFFICIAL GAZETTE**  
**THE BAHAMAS**  
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NASSAU

24<sup>th</sup> February, 2023

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# **BANKS AND TRUST COMPANIES (ELIGIBLE FINANCIAL CONTRACTS) REGULATIONS, 2023**

## **Arrangement of Regulations**

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MINISTRY OF FINANCE

S.I. No. 12 of 2023

**BANKS AND TRUST COMPANIES REGULATION ACT,  
2020**

**(NO. 22 OF 2020)**

**BANKS AND TRUST COMPANIES (ELIGIBLE FINANCIAL  
CONTRACTS) REGULATIONS, 2023**

In exercise of the powers conferred by sections 66(12) and 82 of the Banks and Trust Companies Regulation Act, 2020 (*No. 22 of 2020*), The Central Bank of The Bahamas makes the following Regulations —

**1. Citation.**

These Regulations may be cited as the Banks and Trust Companies (Eligible Financial Contracts) Regulations, 2023.

**2. Interpretation.**

- (1) In these Regulations, “**Act**” means the Banks and Trust Companies Regulation Act, 2020 (*No. 22 of 2020*).
- (2) Any word and expression not defined in paragraph (1) and used in these Regulations shall, unless the context otherwise requires, have the same meaning ascribed thereto in the Act.

**3. Inclusion in the definition of “eligible financial contract”.**

Pursuant to section 66(12)(a) of the Act, the definition of “**eligible financial contract**” includes any financial agreement, contract or transaction and any terms and conditions incorporated by reference in any such financial agreement, contract or transaction, under which payment or delivery obligations are due to be performed at a certain time or within a certain period of time and whether or not subject to any condition or contingency, including, without limitation —

- (a) any —
  - (i) forward,
  - (ii) option,

- (iii) contract for differences or other derivative agreement or contract; or
- (iv) any combination of subparagraphs (i) to (iii);
- (b) a spot, future, forward or other foreign exchange, securities and/or commodities transaction;
- (c) a cap, collar or floor transaction;
- (d) a currency or interest rate future;
- (e) a securities contract, including a margin loan and an agreement to buy, sell, borrow or lend securities, such as a securities repurchase or reverse repurchase agreement, a securities lending agreement or a securities buy or sell-back agreement, including any such contract or agreement relating to mortgage loans, interests in mortgage loans or mortgage-related securities;
- (f) a commodities contract, including an agreement to buy, sell, borrow or lend commodities, such as a commodities repurchase or reverse repurchase agreement, a commodities lending agreement or a commodities buy or sell-back agreement;
- (g) a collateral arrangement in connection with an eligible financial contract;
- (h) an agreement to clear or settle securities transactions or to act as a depository for securities;
- (i) any other agreement, contract or transaction similar to any agreement, contract or transaction referred to in paragraphs (a) to (h) with respect to one or more reference items or indices relating to, without limitation, interest rates, currencies, commodities, energy products, electricity, equities, fund interest, weather, bonds and other debt instruments, digital assets, precious metals, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial or economic consequence, or economic or financial indices or measures of economic or financial risk or value;
- (j) an instrument, agreement or transaction that is or effects the economic equivalent of one of the instruments, agreements or transactions referred to in paragraphs (a) to (h); and
- (k) any agreement, contract or transaction designated as an eligible financial contract by the Bank under the Act.

**Made this 22<sup>nd</sup> day of February, 2023.**

**Signed**  
**JOHN ROLLE**  
**The Central Bank of The Bahamas**