

Securities Commission of The Bahamas

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MEDIA RELEASE

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FOR IMMEDIATE RELEASE

Securities Commission Addresses FTX Statement on Bahamian Withdrawals

Nassau, The Bahamas, Saturday 12 November 2022 – The Securities Commission of The Bahamas (the Commission) notes the statement made by representatives of FTX which advised “Per Bahamian HQ’s regulation and regulators, we have begun to facilitate the withdrawals of Bahamian funds. As such, you may have seen some withdrawals processed by FTX recently as we complied with the regulators”.

The Commission wishes to advise that it has not directed, authorized or suggested to FTX Digital Markets Ltd. the prioritization of withdrawals for Bahamian clients. The Commission further notes that such transactions may be characterized as voidable preferences under the insolvency regime and consequently result in clawing back funds from Bahamian customers. In any event, the Commission does not condone the preferential treatment of any investor or client of FTX Digital Markets Ltd. or otherwise.

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Editor’s Information:

1. The Securities Commission of The Bahamas (the Commission) is a statutory body established in 1995 pursuant to the Securities Board Act, 1995. That Act has since been repealed and replaced by new legislation.
2. The Commission’s mandate is defined in the Securities Industry Act, 2011 (SIA, 2011).
3. The Commission is responsible for the administration of the SIA, 2011 and the Investment Funds Act, 2019 (IFA), which provides for the supervision and regulation of the activities of the investment funds, securities and capital markets.
4. The Commission is responsible for the administration of the Financial and Corporate Service Providers Act, 2020.
5. The Commission is responsible for the administration of the Digital Assets and Registered Exchanges Act, 2020.
6. The Commission is responsible for the administration of the Carbon Credit Trading Act, 2022.

7. The functions of the Commission are to:

- **advise the Minister on all matters relating to the capital markets and its participants;**
- **maintain surveillance over the capital markets and ensure orderly, fair and equitable dealings in securities;**
- **foster timely, accurate, fair and efficient disclosure of information to the investing public and the capital markets;**
- **protect the integrity of the capital markets against any abuses arising from financial crime, market misconduct and other unfair and improper practices;**
- **promote an understanding by the public of the capital markets and its participants and the benefits, risks, and liabilities associated with investing;**
- **create and promote conditions that facilitate the orderly development of the capital markets; and**
- **perform any other function conferred or imposed on it by securities laws or Parliament (SIA, 2011, s.12).**