BANKS AND TRUST COMPANIES (FOREIGN CURRENCY POSITION) REGULATIONS

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BANKS AND TRUST COMPANIES (FOREIGN CURRENCY POSITION) REGULATIONS

S.I. 21/2005
23 of 2010
S.I. 55/2016

(SECTION 24)

[Commencement 13th April, 2005]

Citation.

1. These Regulations may be cited as the Banks and Trust Companies (Foreign Currency Position) Regulations.

Interpretation.

2. In these Regulations —

"Central Bank" means the Central Bank of The Bahamas established pursuant to section 3 of the Central Bank of The Bahamas Act; Ch. 351.

"licensee" means any Bank or Trust company which is incorporated in The Bahamas and which holds a licence granted under section 4 of the Act;

"the Act" means the Banks and Trust Companies Regulation Act. Ch. 316.

Foreign currency position.

3. The larger of the sum of net short or long positions in all foreign currencies, including all outstanding spot and forward foreign exchange contracts, all on and off balance sheet assets and liabilities of a licensee at the appropriate spot exchange rates, shall not exceed ten percent of the licensee's capital base.

Notification to Inspector.

4. On becoming aware of a contravention of regulation 3, a licensee shall immediately notify the Inspector of that contravention and provide him with such particulars of that contravention in such form as the Inspector shall determine.

Remedial action.

5. The Inspector may, by notice in writing served on a licensee, require the licensee to take such remedial action as he considers appropriate for the purpose of having the licensee comply with regulation 3.

Variation of foreign currency limit.

6. The Inspector may, by notice in writing served on a licensee, vary the limit specified in regulation 3 in relation to that licensee.

S.I. 55/2016.

7. *Repealed.*