INSURANCE COMMISSION
OF THE BAHAMAS

GUIDELINES FOR THE COMPLIANCE FUNCTION

July 2026

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1. INTRODUCTION

1.1. As the supervisory body for the insurance sector, the Insurance Commission of The Bahamas (the Commission) is committed to promoting effective governance, regulatory compliance, and sound risk management practices across all insurance sector participants.

1.2. The Commission is empowered under section 234 of the Insurance Act, *Ch. 347* (the Act) and section 46 (3) of the External Insurance Act, *Ch. 348* ("EIA") to issue these Guidelines which are intended to assist insurers with the establishment of a comprehensive framework relevant to the Compliance Officer (CO) function. These Guidelines also clarify the Commission's expectations of the compliance function and gives key points relevant to the Anti-Money Laundering/Countering the Financing of Terrorism/Countering Proliferation Financing obligations of Compliance Officers. The Commission has the right to waive any of the requirements of these Guidelines at its discretion.

1.3. These Guidelines should be read in conjunction with the Commission's *AML-CFT-PF Guidelines*, and the Group of Financial Services Regulators' *Countering Proliferation Financing Guidelines* as they detail the related requirements and obligations for registrants and licensees. Moreover, the Commission's Guidelines for Assessing General Fitness and Propriety, and the Guidelines on Corporate Governance and Oversight Assessment Criteria, should also be read as they provide insight to persons in control functions.[1]

2. SCOPE

2.1. These Guidelines are applicable to all registrants and licensees under the Act and EIA.

3. GLOSSARY

AML	Anti-Money Laundering
CFT	Countering the Financing of Terrorism
CPF	Counter Proliferation Financing
CDD	Customer Due Diligence
CO	Compliance Officer
DPO	Data Protection Officer
DRO	Designated Reporting Officer
EDD	Enhanced Due Diligence

[1] A function that has a responsibility in an insurer or intermediary to provide objective assessment, reporting and/or assurance.

EIA	External Insurance Act
FITRR	Financial Intelligence (Transactions Reporting) Regulations, 2001
FTRA	Financial Transactions Reporting Act, 2018
FTRR	Financial Transaction Reporting Regulations, 2018
MLRO	Money Laundering Reporting Officer
POCA	Proceeds of Crime Act, 2018
STR	Suspicious Transaction Report

4. COMPLIANCE FUNCTION

4.1. The compliance function serves to ensure that an institution meets its legal, regulatory, and supervisory obligations. Pursuant to the FTRA all financial institutions are to appoint a compliance officer. Long-term and External Insurers are defined as financial institutions under section 3 (1) (b)(i) and (ii) of the FTRA and consequently are mandated to appoint a CO. Additionally, regulation 5(a) of the FITRR requires financial institutions to appoint a Money Laundering Reporting Officer (MLRO). The appointed MLRO must satisfy the requirements given in the Commission's MLRO Guidelines. Long-term insurers and external insurers may combine the roles of CO and MLRO, depending on the size, nature, complexity, and risk profile of the entity.[2]

4.2. General insurers, though not classified as financial institutions under the FTRA, and consequently not obligated to appoint a CO, are required under regulation 14 of the FTRR to file a Suspicious Transaction Report (STR) with the Financial Intelligence Unit (FIU) where there is suspicion that a proposal, proposer, or circumstances involves the proceeds of criminal conduct, constitutes an identified risk,[3] or is related to an offence under POCA (including attempts to evade enforcement provisions). Given this statutory reporting obligation, the Commission requires general insurers that have not appointed a CO to appoint a Designated Reporting Officer (DRO) to carry out the compliance and reporting functions.

4.3. Where the Commission determines that the size, nature, and complexity of an intermediary's operations require the appointment of a DRO or a CO, that intermediary must designate a person to carry out the compliance and reporting functions. Where an intermediary's business is smaller in scale or presents limited complexity, the Commission may permit the principal or responsible officer to perform the compliance function, subject to the Commission's ongoing oversight. In such cases, the principal or responsible officer must have one of the certifications listed in 5.4.4 and must obtain sponsorship from an experienced CO. Moreover, said officer

[2] The Commission has MLRO Guidelines also, they are mentioned here as the CO of certain institutions may act as MLRO (by combining the roles).
[3] Criminal conduct and identified risk are both defined in the POCA.

will be required to undergo verified AML/CFT/CPF training annually to ensure continued compliance with applicable legislation, regulations, and guidelines. Conditional approval may be granted if the prospective CO or DRO is currently undertaking the required certification course. Registrants and licensees must provide detailed evidence of AML training, including attendance logs, training topics, and materials. The compliance function may be outsourced as expanded upon in section seven.

4.4. No person may be appointed to the role of DRO, CO, and/or MLRO without the prior written approval of the Commission. Further, all DROs and MLROs are required to be registered with the FIU, and registrants must submit a copy of the FIU registration to the Commission as evidence of compliance.

5. RULES FOR THE COMPLIANCE FUNCTION

5.1. Independence, Authority, and Compliance

5.1.1. The compliance function is an independent function. The CO or DRO must be and remain fully independent and, in performing their functions, shall:

- Operate independently from day-to-day operations and not be directly involved in the management or execution of activities in any business area where such involvement would create a conflict of interest or otherwise impair their ability to perform their responsibilities objectively and without bias;
- Have unrestricted access to all records, systems, and personnel necessary for the role;
- Have direct and unrestricted access to the Board of Directors; Compliance and/or Audit Committee of the Board; and
- Submit written Compliance (and MLRO where applicable) Reports directly to the Board of Directors or the relevant Board Committee for review and formal approval.

5.1.2. The Board of Directors is responsible for the appointment and dismissal of the CO and shall ensure that the CO or DRO:

- Has adequate resources, including human resources; and
- Is empowered to act on findings to include the filing of suspicious activity or transaction reports, where necessary, and initiate remedial action.

Registrants and licensees must not engage in any activity that may detract from, interfere with, or compromise the independence, authority, or effectiveness of the compliance function.

5.1.3. While a registrant or licensee may require more frequent reporting, the CO or DRO must present written Compliance reports to the Board at least once per quarter, which report must include:

- An assessment of the key compliance risks the entity faces and the steps being taken to address them;
- An assessment of how the various parts of the entity (e.g. divisions, major business units, product areas) are performing against compliance standards and goals;
- Progress on previously identified remedial actions;
- Any compliance issues involving management or persons in positions of major responsibility within the entity, and the status of any associated investigations or other actions being taken;
- Material[4] compliance violations or concerns involving any other person or unit of the entity and the status of any associated investigations or other actions being taken; and
- Fines or other disciplinary actions taken by any regulator or supervisor in respect of the entity or any employee.

The Commission may require registrants or licensees to present such reports at least monthly. These reports must also be made available to the Commission upon request.

5.1.4. The CO or DRO is responsible for monitoring the entity's ongoing compliance with all applicable local laws and regulatory requirements. While the CO/DRO is not automatically designated as the Data Protection Officer (DPO), they must fulfil this function if formally appointed in accordance with Data Protection legislation. Regardless of a formal DPO designation, the CO/DRO must ensure that AML/CFT/CPF frameworks incorporate robust safeguards to maintain the confidentiality and security of customer data. If the registrant or licensee has appointed a DPO, the CO must liaise with the DPO to verify the efficiency of those safeguards.

5.1.5. The CO may report administratively to the CEO or Managing Director for operational matters. However, the CO must maintain functional independence through a direct and unrestricted reporting access to the Board of Directors or the relevant Board Committee. This dual reporting structure is encouraged to ensure that compliance oversight remains shielded from undue operational influence.

5.2. Physical Presence

5.2.1. The appointed CO or DRO must be physically present in The Bahamas.

[4] Regarding compliance violations, material is anything that triggers a statutory penalty, involves senior management or the Board, or affects the entity's ability to meet its "Fit and Proper" requirements.

5.2.2. External insurers that operate **completely** in another jurisdiction may seek the Commission's approval to appoint a CO who is resident in that jurisdiction.

5.2.3. The Commission may waive the physical presence requirement in cases where a captive's insured risks, policyholders, beneficial owners, service providers or business activities are located outside the jurisdiction, or for insurers primarily conducting domestic business in cases where these requirements may be disproportionate to the nature and geographical scope of their operations.

5.3. Conflicts of Interest

5.3.1. The compliance function must operate with full impartiality and objectivity. Registrants and licensees are responsible for ensuring that the CO and DRO are shielded from any internal or external pressures—financial or otherwise—that could influence their judgment or compromise the integrity of the entity's compliance with all applicable laws, rules, and regulations.

5.3.2. The appointed CO or DRO may hold additional responsibilities (depending on the size, nature, and complexity of the entity) where the entity can demonstrate that independence remains unimpaired. To maintain this separation:

- The CO/DRO shall not have direct responsibility for, or performance-based incentives linked to, revenue generation, business development, or underwriting approvals;
- The CO/DRO must not perform internal audit functions; and
- The CO must not hold an operational role. Where a DRO holds an operational role, a secondary review process must be documented to prevent the individual from overseeing their own operational output.

5.3.3. The CO or DRO has an ongoing duty to identify and avoid any activities or responsibilities that could compromise or appear to compromise, their ability to act independently and objectively. Any perceived, potential, or actual conflict of interest must be disclosed in writing to the Board of Directors (or the relevant Board Committee) immediately upon identification. The CO or DRO must recuse themselves from any investigation, reporting, or decision-making process where a personal or professional conflict exists.

5.3.4. Registrants and licensees must maintain a formal Conflict of Interest Register specifically for the compliance function. This register must:

- Record all disclosed conflicts and the date of disclosure;
- Detail the specific mitigation strategy approved by the Board; and
- Be made available to the Commission during onsite inspections or upon request.

5.4. Fitness and Propriety

5.4.1. The CO or DRO must meet the Commission's 'fit and proper' requirements set out in the fitness and propriety guidelines. The key elements are given below.

Moral Standing

5.4.2. The Commission conducts an assessment of the applicant's honesty, integrity, and reputation. The CO or DRO must have been truthful and candid in their dealings with regulators and must be in good legal standing among other factors given in the fitness and propriety guidelines which may affect the Commission's assessment of their character.

Professionalism

5.4.3. Professionalism refers to the applicant's demonstration of their competence, capability, and qualifications. The CO or DRO must have sufficient knowledge and understanding of Bahamian laws and regulations, and global industry standards.

5.4.4. The minimum requirements for the CO role are:

- Minimum two years' experience, unless waived at the discretion of the Commission, in AML/CFT/CPF compliance, audit or risk management in a financial institution;
- Tertiary education in law, finance, economics, risk management, compliance, or a similar field;
- Membership in a relevant professional association; and
- One of the following certifications, or any other professional designation specifically recognized by the Commission via official notice:
  - International Diploma in Anti-Money Laundering;
  - International Diploma in Governance, Risk and Compliance;
  - ICA Diploma in Financial Crime Prevention;
  - Certified Anti-Money Laundering Specialist;
  - Certified Financial Crime Specialist;
  - Certified Risk Compliance Management Professional;
  - Certified Risk Compliance Management Professional in Insurance and Reinsurance; or
  - Associate, Insurance Regulatory Compliance.

5.4.5. The minimum requirements for the DRO role are:

- Sponsorship from an experienced CO where there is less than two years' experience in AML/CFT/CPF compliance, audit or risk management in a financial institution;
- Completion of AML/CFT/CPF training to be able to identify suspicious activity and understand reporting obligations within the last twelve months; and
- One of the certifications mentioned in section 5.4.4.

5.4.6. If the prospective CO or DRO holds a qualification or certification not listed above, the Commission may review and approve same on a case-by-case basis where satisfied that the qualification or certification may be relevant. Moreover, the Commission may require an interview if the prospective CO fails to meet the experience threshold.

Financial Standing

5.4.7. The CO must have a history of responsible financial behaviour (consistent repayment of debts incurred) and must not have been declared bankrupt.

5.4.8. Registrants and licensees should take steps to ensure staff remains fit and proper by implementing ongoing monitoring and assessment processes. This may involve regular performance reviews, training and development, periodic background checks, and monitoring for potential conflicts of interest.

6. GROUP-WIDE COMPLIANCE

6.1. To mitigate identified risk, Compliance Officers whose companies are part of a group must:

- Ensure that the group-wide AML/CFT/CPF policies, procedures, and controls are in place and that they meet or exceed the Commission's requirements;
- Ensure that the policies, procedures and controls permit the sharing of information group-wide for the purpose of performing due diligence and risk management; and
- Assess the risk of the group as a whole to ensure contagion risk is considered and mitigated.

6.2. COs who conduct group-wide compliance must have the authority to request account and transaction information from branches and subsidiaries to carry out their compliance duties[5].

6.3. Where a conflict exists between Bahamian regulatory requirements and the local laws of a foreign branch or subsidiary, the group CO must notify the Commission in writing immediately upon discovery of the conflict. However, notwithstanding any conflict, a request for information must be dealt with co-operatively and expeditiously.

6.4. Notwithstanding group-wide policies, the local licensee remains responsible for ensuring all Bahamian statutory filings (including STRs to the FIU) are completed in accordance with the timelines set out in the FTRA and other relevant legislation.

[5] See Section 21 of the FTRA.

7. OUTSOURCING OF THE COMPLIANCE FUNCTION

7.1. The compliance function may be outsourced by registrants and licensees with the Commission's **prior** written approval. Notwithstanding any outsourcing, the registrant or licensee **retains responsibility** for the compliance function and the Commission reserves the right to enforce against the contracted party. Moreover, the Commission will require a due diligence review prior to approval.

7.2. A registrant or licensee intending to outsource the compliance function must submit the following to the Commission:

- Name and address of the proposed CO or DRO;
- Telephone and email contacts;
- Affiliations of the proposed CO or DRO to the registrant or licensee and its parent or affiliated companies, if any;
- Evidence that the proposed CO or DRO has sufficient knowledge, resources, and the necessary capacity to meet obligations; and
- Outsourcing contract(s) (which must have been reviewed and approved by the Board).

7.3. The registrant or licensee must ensure that the outsourced provider:

- Is competent and independent;
- Meets performance expectations and the requirements of applicable guidelines issued by the Commission and relevant laws applicable to the registrant or licensee; and
- Complies with and maintains security and data privacy standards.

7.4. The registrant or licensee must provide the Commission with its policy or procedures on the appointment, and the replacement, of the outsourced provider.

Outsourcing Contract

7.5. The outsourcing contract must clearly describe all material aspects of the arrangement, including the rights, responsibilities and expectations of all parties. This also includes provisions affirming:

- That the contract is governed by and in accordance with the laws of The Bahamas;
- The confidentiality of clients' information according to the laws of The Bahamas;
- The right of the registrant or licensee and its authorized representatives to inspect the records arising out of and maintained by the outsourced CO;
- The requirement for records or copies of records to be maintained by the registrant or licensee at intervals;
- The Commission's right to access the registrant or licensee's documents, including any notes made by the CO;

- The Commission's right to conduct an exit interview with the outsourced provider; and
- All outsourcing contracts must set out the termination process to ensure the registrant can regain control of the compliance function or contract another provider without a gap in oversight.

7.6. The registrant or licensee shall have ultimate responsibility for any failure of the engaged party to carry out its obligations under the contract.

8. KEY AML/CFT/CPF DUTIES OF THE COMPLIANCE FUNCTION

Risk Assessment and Mitigation

8.1. The CO or DRO shall conduct periodic and comprehensive risk assessments to identify, assess, and understand the entity's exposure to money laundering, terrorist financing, and proliferation financing.

8.2. The compliance function is responsible for the design and implementation of robust internal controls and mitigation strategies tailored to the risk profile identified during the assessment. The CO or DRO must ensure that such measures are commensurate with the nature, scale, and complexity of the organization's operations.

Governance and Policy Framework

8.3. The CO shall develop and maintain a written, risk-based AML/CFT/CPF framework, approved by the Board of Directors, encompassing policies, procedures, and controls for:

- Institutional and individual risk assessment processes;
- Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD) protocols;
- Continuous monitoring of customer profiles, activities, and transactional patterns;
- Comprehensive record-keeping standards;
- Identification and filing of Suspicious Transaction Reports (STRs);
- Ongoing training programs for the Board and all relevant personnel;
- Employee screening and "fit and proper" assessments to ensure high integrity standards during recruitment;
- Independent testing of the effectiveness of compliance policies; and
- Periodic review and revision of the AML/CFT/CPF framework to ensure continued relevance.

Record Keeping

8.4. The CO or DRO shall maintain an exhaustive and chronological record of all AML/CFT/CPF compliance activities, findings, and related documentation for a minimum of seven (7) years.

8.5. The CO or DRO must ensure all retained records are clear, accurate, and easily accessible, facilitating prompt retrieval for supervisory inspection.

Training and Education

8.6. The CO and DRO must complete specialized AML/CFT/CPF training annually subject to the relevant training cycle and satisfy all Continuing Professional Development (CPD) requirements to maintain their professional certifications. The CO or DRO must also:

- Deliver ongoing, role-based training to employees regarding statutory obligations and internal compliance protocols;
- Regularly update training materials to reflect the evolving legal landscape and the organization's specific operational risks;
- Periodically evaluate the impact of training programs through assessments or testing, implementing remedial measures where gaps are identified; and
- Maintain a validated training registry that demonstrates the frequency, content, and adequacy of training provided to all personnel, available for immediate regulatory review.

Compliance Monitoring and Remediation

8.7. The CO or DRO shall implement a robust monitoring and testing framework to:

- Ensure the ongoing integrity and effectiveness of the organization's internal policies and controls;
- Identify systemic weaknesses and ensure that the compliance program evolves in response to emerging risks and legal updates; and
- Ensure strict adherence to prevailing laws and international standards.

The CO or DRO shall also:

- Conduct thorough and objective investigations into any identified or suspected compliance deficiencies or breaches;
- Monitor and update internal policies and controls to reflect changes to laws or international standards; and
- Report findings to Senior Management and the Board and provide recommendations for corrective action and systemic improvements.

Reporting to Supervisory Authorities and the Board

8.8. The CO or DRO is the primary liaison between the organization, its governing body, and relevant regulatory agencies, ensuring the transparent and timely flow of information. The CO or DRO is responsible for providing the Board and supervisors with the necessary data to evaluate the organization's compliance and risk exposure. The compliance function is to:

- Act as the primary point of contact for regulatory authorities, fostering transparent and proactive communication;
- Ensure timely and accurate submission of all mandated reports and compliance data to the relevant authorities, extending beyond AML/CFT/CPF information to all applicable regulatory requirements; and
- Provide the Board of Directors with regular, detailed reports on the status of the compliance program, including emerging risks, audit findings, and the overall effectiveness of the internal control environment.

9. NOTIFICATION TO THE COMMISSION

9.1. Upon becoming aware of any factor potentially compromising the independence of the compliance function, the officer must immediately provide written notification to the Commission, outlining the nature of the interference and its anticipated impact on the performance of statutory duties.

9.2. The Commission prohibits retaliation against any person who raises a concern in good faith or participates in an investigation.

10. REPLACEMENT OF THE COMPLIANCE OR DESIGNATED REPORTING OFFICER

10.1. Upon the resignation or termination of the CO or DRO, the registrant or licensee shall provide written notification to the Commission no later than close of the following business day and complete the form in Appendix E. The registrant or licensee must also submit a formal succession plan within five (5) business days. This submission must include a definitive timeline for the permanent replacement of the function and the designation of a qualified interim individual to discharge the duties of the CO or DRO until a permanent appointment is confirmed and approved.

10.2. The Commission reserves the right to mandate a specific timeframe for the appointment of a permanent replacement should the proposed plan be deemed insufficient. In evaluating the adequacy of the replacement strategy, the Commission will consider the scale, inherent risks, and operational complexity of the entity's business activities.

11. EXIT INTERVIEW

11.1. When the employment of the CO or DRO ends, the outgoing officer must complete the form in Appendix D and must complete a formal Exit Interview with the Commission. The primary objectives are:

- **Operational Continuity**: To ensure a seamless transition of responsibilities and to confirm that no material gaps exist within the compliance framework;

- **Confidential Disclosure**: To provide a secure and transparent forum for the outgoing officer to apprise the Commission of any known or suspected regulatory deficiencies, internal control weaknesses, or professional concerns encountered during their tenure; and
- **Supervisory Oversight**: To allow the Commission to assess the compliance culture of the entity and ensure the independence of the function was maintained prior to the CO or DRO's departure.

11.2. Information shared during the exit interview is treated with the strictest confidentiality by the Commission. This Commission-conducted exit interview is independent of, and does not replace, any exit interview process conducted internally by the registrant or licensee.

12. TRANSITION AND IMPLEMENTATION

12.1. To facilitate compliance with these Guidelines insurers will be allowed a transition period of six (6) months, while intermediaries will be allowed a transition period of twelve (12) months from the issuance date to fully implement these Guidelines.

12.2. Registrants and licensees may make written representation to the Commission requesting consideration to vary the transition period. The Commission reserves the discretion to grant or refuse a request for variation of the transition period.

13. CONSEQUENCES OF NON-COMPLIANCE

13.1. Registrants and licensees who fail to comply with the provisions of these Guidelines shall be liable to a penalty or fine in the Commission's discretion in exercise of its powers of enforcement.

APPENDIX A: CONFIDENTIAL COMPLIANCE FUNCTION APPROVAL FORM

This form is to be completed by the applying individual or by the insurer or intermediary's Principal Representative. The following fields are to be answered regarding the prospective Compliance Officer *(or Designated Reporting Officer where applicable)* and Money Laundering Reporting Officer.

1. Name:
2. Former name(s) by which you may have been known, if applicable:
3. Date of Birth:
4. Nationality:
5. Name of the registrant or licensee:
6. Indicate role(s) in which registered person will be acting:
   Compliance Officer ☐ Designated Reporting Officer ☐
   Money Laundering Reporting Officer ☐
7. Personal address:
8. Personal email address:
9. Personal telephone:
10. Qualifications:
11. Employment Details:
    Name of Employer:
    Title Held:
    Address of the Employer:
    Nature of Business:
12. Years of related experience:
13. Provide full details on the duties and responsibilities attached to the position:

14. Are you currently or previously employed in a role which requires registration or licensing with a regulator?
    Yes ☐ No ☐

    If yes, please provide full details, including name of regulator, country, application or registrant/licensee type, date approved, date approval ceased and the reason:

15. Do you have any pending applications with any other financial services regulator in The Bahamas or any other jurisdiction?

Yes ☐ No ☐

If yes, please provide the name(s) of the other financial services regulator(s) and the capacity in which you have made application:

16. Are you currently a member of any professional organisations?
    Yes ☐ No ☐

    If yes, please provide the name(s) of the professional organisation/ association(s) and include the professional membership number(s):

17. Have you been a controller, shareholder, director, executive officer, senior official/officer or compliance officer/MLRO of any body corporate or financial institution at any time during the past 10 years?
    Yes ☐ No ☐

    If yes, give relevant dates and provide the name(s) of the body corporate or financial institution.

18. Have you at any time been convicted of any crime, excluding any offence committed when you were under 18 years of age, unless the same offence was committed within the last 10 years?
    Yes ☐ No ☐

    If yes, provide the details of the court by which you were convicted, the offence, the penalty imposed, and the date of conviction:

19. Have you, in The Bahamas or any other jurisdiction, been censured, disciplined, warned as to future conduct, or made the subject of a court order at the instigation of any regulatory authority or any professional body to which you belong or belonged, or have you ever held a practicing certificate subject to conditions?
    Yes ☐ No ☐

    If yes, please provide details:

20. Have you, or has any body corporate, partnership, or unincorporated institution with which you are, or have been, associated with or otherwise, been the subject of an investigation, in The Bahamas or any other jurisdiction, by or at the instigation of a government department or agency, professional association, or other regulatory body?

Yes ☐ No ☐

If yes, please provide details:

21. Have you, in The Bahamas or any other jurisdiction, been dismissed from any office or employment, or been subject to disciplinary actions by your employer or been barred from entry to any profession or occupation?
Yes ☐ No ☐

If yes, please provide details:

22. Have you failed to satisfy any debt adjudged due and payable by you, as a judgment under an order of a court, in The Bahamas or any other jurisdiction, or made any compromise arrangement with your creditors within the past 10 years?
Yes ☐ No ☐

If yes, please provide details:

23. Have you ever been declared bankrupt (either provisionally or finally) by a court, in The Bahamas or any other jurisdiction, or has a bankruptcy petition ever been served on you?
Yes ☐ No ☐

If yes, please provide details:

24. Have you, in connection with the formation or management of any body corporate, partnership or unincorporated institution, been adjudged by a court, in The Bahamas or any other jurisdiction, civilly or criminally liable for any fraud, misfeasance, or other misconduct by you towards such a body or company or towards any members thereof?
Yes ☐ No ☐

If yes, please provide details:

25. Have you ever been required to give evidence in any trial or proceedings involving fraud, misfeasance or other misconduct?
Yes ☐ No ☐

If yes, please provide details:

26. Has any body corporate, partnership, or unincorporated institution with which you were associated in a regulated function, in The Bahamas or any other jurisdiction, been compulsorily wound up, made subject to an administration order, or made any compromise or arrangement with its creditors or ceased

trading while you were associated therewith, or has anything comparable to any of these events occurred under the laws of any other jurisdiction?

Yes ☐ No ☐

If yes, please provide details:

27. In carrying out your duties will you be acting on the directions or instructions of any other individual and/or financial institution other than the Board of Directors or authorized governance committee?

Yes ☐ No ☐

If yes, please provide details:

28. Have you, a family member, or a close associate, at any time, been considered a Politically Exposed Person (PEP)?

Yes ☐ No ☐

If yes, please provide details, include the names of the family member or close associate and the political positions held:

29. Do you, or any related party of whom you are aware, currently or prospectively plan to undertake business with this registrant or licensee?

Yes ☐ No ☐

If yes, please provide details:

30. Are you currently, or do you expect to be engaged, other than in a professional capacity, in any litigation in The Bahamas or any other jurisdiction?

Yes ☐ No ☐

If yes, please provide details:

31. Have you always been candid and truthful in all your dealings with any regulatory body, in The Bahamas or any other jurisdiction?

Yes ☐ No ☐

32. Do you, at all times while acting in the capacity of a compliance officer, undertake to:

    a. Act in good faith towards the registrant or licensee?

    Yes ☐ No ☐

    b. Avoid conflict between your other interests and the interests of the registrant or licensee?

    Yes ☐ No ☐

c. Disclose conflicts of interest in a timely manner?
   Yes ☐ No ☐

33. Please indicate any memberships or affiliations with professional organizations, also state any information which you would consider to be relevant to the assessment of your application. Provide supporting documents as applicable.

Please attach: resume/curriculum vitae; valid Government issued photo identification; valid police record (within 6 months); Organizational Chart; Board resolution or written approval of the prospective compliance officer / designated reporting officer; Job Description; proof of address; and certified proof of qualifications.

DECLARATION

I, _____, hereby declare the following:

This form consists of_____pages, each initialed by me. The content of this form and declaration is true to the best of my knowledge and belief. I am aware that should I knowingly or intentionally supply false or misleading information herein, I may be liable to prosecution.

I undertake that, as long as I continue to be a Compliance Officer of a registrant or licensee, I will notify the Insurance Commission of The Bahamas of any material changes to or affecting the completeness or accuracy of the information supplied by me as soon as possible, but no later than 7 days from the day that the changes come to my attention.

I know and understand the content of this declaration.

SIGNATURE: _____

DATE: _____

I certify that the above statement was taken by me and that the deponent has acknowledged that he/she knows and understands the content of this statement.
This statement was signed in my presence at: _____
on the _____ day of _____ (mm/yy)

Justice of the Peace/Notary Public Stamp

APPENDIX B: NOTIFICATION OF MATERIAL BREACH

Entity and Reporting Officer Information

Registrant or Licensee Name: _____

Reporting Officer (CO/DRO): _____

Date of Discovery: _____

Nature of the Breach

Check all that apply:

☐ **AML/CFT/CPF Failure**
☐ **Regulatory/Statutory Breach**
☐ **Governance/Independence Breach**
☐ **Data/Privacy Breach**
☐ **Theft/Fraud**

Incident Details

1. **Description of Event:** (Provide a concise summary of how the breach occurred).

2. **Internal Breach Reporting Date:**

3. **Impact Assessment:** (Number of clients affected, financial value, or reputational risk).

4. **Duration:** (Was this a one-time event or a systemic failure over time?)

Remediation & Mitigation

5. **Immediate Actions Taken:** (e.g., accounts frozen, staff suspended, systems patched).

6. **Root Cause Description: (include responsible department/ person and analysis of the cause)**

7. **Target Remediation Date:**

8. **Board Involvement:** Has the Board of Directors been formally notified? **[Yes** */* **No]** *If yes, date of Board notification:*

9. **Planned Long-Term Fix:** (How will you prevent this from happening again?)

Declaration

I confirm that this notification is made in good faith and represents the most accurate information available at the time of reporting.

Signature (CO/DRO): _____ Date**:** _____

APPENDIX C: APPLICATION FOR OUTSOURCING THE COMPLIANCE FUNCTION

Entity Information

Name of Licensee/Registrant: _____
License Number: _____ Date:_____
Primary Contact (Senior Management/Board): _____

Proposed Outsourced Provider

Name of Firm/Individual: _____
Physical Address: _____
Regulated Status: Is the provider a regulated entity (e.g., Law Firm, Audit Firm, Licensed Compliance Consultancy)? **[Yes / No]**
If yes, provide regulator name and license number: _____

Fitness & Propriety

Please attach the following for the specific individual(s) performing the CO/DRO role:

- **Comprehensive Curriculum Vitae (CV)**
- **Certified Copies of Qualifications**
- **Police Character Certificate** (Dated within the last 6 months)

Conflict of Interest Assessment

1. Does the provider perform any other services for the entity (e.g., External Audit, Legal Counsel, Actuarial Services)? **[Yes / No]**
2. Does any principal of the provider firm have a familial or financial relationship with the Board or Senior Management of the licensee? **[Yes / No]**
3. **Required Attachment:** A copy of the Board-approved Mitigation Strategy if any "Yes" was checked above.

Contractual Compliance

The attached Outsourcing Contract MUST contain clauses explicitly addressing:

- **Governing Law:** Explicitly stated as the Laws of The Bahamas.
- **Access:** Unrestricted right for the Insurance Commission of The Bahamas to inspect records and notes.
- Location where records will be maintained:
- **Provisions for Business Continuity/ Disaster Recovery:**
- Cybersecurity controls:
- **Data Privacy:** Compliance with the Data Protection Act.

- **Termination & Exit:** A 30-day (minimum) notice period and a data handover protocol.

Declaration

I, [Name of Director/CEO], certify that the Board has performed due diligence on the proposed provider and confirms they have the capacity and resources to fulfil the compliance obligations of this entity.

Signature: _____ **Date:** _____

APPENDIX D: NOTICE OF TERMINATION OF COMPLIANCE / DESIGNATED REPORTING OFFICER

(To be submitted by the Compliance / Designated Reporting Officer)

1. Name of sponsoring company (registrant or licensee with whom the CO/DRO was employed):
2. Name of Compliance / Designated Reporting Officer:
3. Certificate of Registration No:
4. Indicate period of time you were employed or contracted with the sponsoring company: From: _____ to: _____
5. Agreement was terminated:

   ☐ Voluntarily (terminated by CO / DRO)

   ☐ Involuntarily (terminated by sponsoring company)

   If involuntarily, state reason(s) for this course of action.

6. State any other material facts not covered by the above items.

Declaration

All pertinent and material facts have been given. The above is a true and correct statement of the facts pertaining to the termination of employment or contract with the named sponsoring company.

Signature (CO/DRO): _____ Date**:** _____

APPENDIX E: NOTICE OF TERMINATION OF COMPLIANCE / DESIGNATED REPORTING OFFICER

(To be submitted by the CEO of the sponsoring company)

1. Name of sponsoring company (registrant or licensee with whom the CO/DRO was employed):
2. Name of Compliance / Designated Reporting Officer:
3. Certificate of Registration No:
4. Indicate period of time the CO/DRO was employed or contracted with the sponsoring company.
   From: _____ to: _____
5. Agreement was terminated:
   - ☐ Voluntarily (terminated by sponsoring company)
   - ☐ Involuntarily (terminated by CO / DRO)

   If voluntarily, state reason(s) for this course of action.

6. State any other material facts not covered by the above items.

Declaration

All pertinent and material facts have been given. The above is a true and correct statement of the facts pertaining to the termination of employment or contract with the CO / DRO.

Signature (CEO): _____ Date**:** _____

_____

Affix Official Company Stamp