

Lion's Roar



NEWS from Equity Bank And Trust | Nassau, The Bahamas | Spring 2021 | equitybahamas.com

Equity Establishes New Trust Company

EQUITY HAS RECEIVED approval from the Central Bank of The Bahamas for the establishment of **Equity Trust Bahamas Limited**, a new trust company affiliate which will operate from within The Bahamas and conduct business with non-residents only.

Equity Trust Bahamas Limited will provide trustee and corporate services to persons deemed or designated non-resident for Bahamian exchange control purposes.

This represents a shift in services for the Group, as non-resident trustee and corpor-

ate services will no longer be provided or offered by Equity Bank And Trust Bahamas Limited in the ordinary course of business.

The Bank will instead primarily focus on private banking and custody services inclusive of asset management and credit to non-residents and residents, as well as trustee, corporate and investment fund administration services, to a limited extent, to residents only and as deemed appropriate, subject always to relevant regulatory approvals being obtained.

The Board of Directors of Equity Trust Bahamas Limited includes

Ivlyln B. Cassar, Dillon R. Dean, Kim D. Thompson, Samantha Knowles-Pratt, and James E. Palacios, who together have over one hundred years of international private wealth management experience across Europe and the Caribbean. They hold designations such as CPA, MBA, Securities Investment Advisor registration, Discretionary Asset Management Representative registration, Series 7, CIARB, TEP, Canadian



Securities Institute, and membership with the Bahamas Institute of Chartered Accountants, the Society of Trust and Estate Practitioners, the English Bar and the Bahamas Bar.

"The establishment of a trust company separate from the bank will allow the Group to fine-tune its focus in developing the special expertise that is required to ensure we offer the best possible services for our clients in both areas," said Equity's Chairman, Ivlyln Cassar.

In the short term, clients can expect formal notice of a name change of the Bank from Equity Bank And Trust Bahamas Limited to **Equity Bank Bahamas Limited** so as to clearly distinguish between the offerings. ■

Task Force Delists The Bahamas

THE BAHAMAS' efforts to shore up its anti-financial crime regime has received **Financial Action Task Force (FATF)** approval and has been delisted from the list of jurisdictions under increased monitoring.

A statement issued on December 18, 2020, reported:

"The FATF congratulates The Bahamas for the significant progress it has made in improving its AML/CFT regime. The Bahamas has strengthened the effectiveness of its AML/CFT system and addressed related technical deficiencies to meet the commitments in its action plan and remedy the strategic deficiencies identified by the FATF in October 2018.

"The FATF now delists The Bahamas from the list of jurisdictions under increased monitoring. The Bahamas is therefore no longer subject to the FATF's increased monitoring process. The Bahamas will continue to work with CFATF to improve further its AML/CFT regime." ▶ 2

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BREAKING NEWS...

The Bahamas Removed from France's List of Non-Cooperative States and Territories in Tax Matters

THE GOVERNMENT OF FRANCE has removed The Bahamas from the French list of non-cooperative states and territories in tax matters. The list, which is updated annually by the French Ministry of Economics and Finance, was published in the Official Diary of the French Republic on March 4, 2021.

The French Government has imposed a number of sanctions on blacklisted countries, including applying withholding taxes at a higher rate on financial transactions involving blacklisted countries. This serves as a disincentive to French taxpayers, both individuals and companies, wishing to conduct business in blacklisted countries. Blacklisting also carries reputational risks and may affect a country's ability to access international markets.

Minister of State for Finance, Senator The Honourable **J. Kwasi Thompson** stated:

"The decision by France to remove The Bahamas from its tax blacklist is the culmination of extensive bilateral discussions with the French Government

since we were first listed in December 2019. From the moment we learned that The Bahamas was listed, we set about to vigorously disprove France's assumptions about our commitment to the international regulatory standards on tax cooperation and exchange of information for tax



Minister of State for Finance
J. Kwasi Thompson

purposes. Our discussions with the French authorities have been fruitful and have fostered a deeper degree of cooperation between our two countries. We have aptly demonstrated that The Bahamas is indeed doing its part in the global effort to eradicate harmful tax practices." ■

► **THE BAHAMAS OFF FATF WATCHLIST** | from front page



The FATF congratulates The Bahamas for the significant progress it has made in improving its regime



Speaking after the FATF, the global standard-setter on anti-money laundering and counter-terror financing issues, certified that The Bahamas merited delisting after addressing previous weaknesses in its regulatory regime, Bahamas Attorney General **Carl Bethel** pledged that authorities will "not celebrate the glow of this moment and go back to sleep."

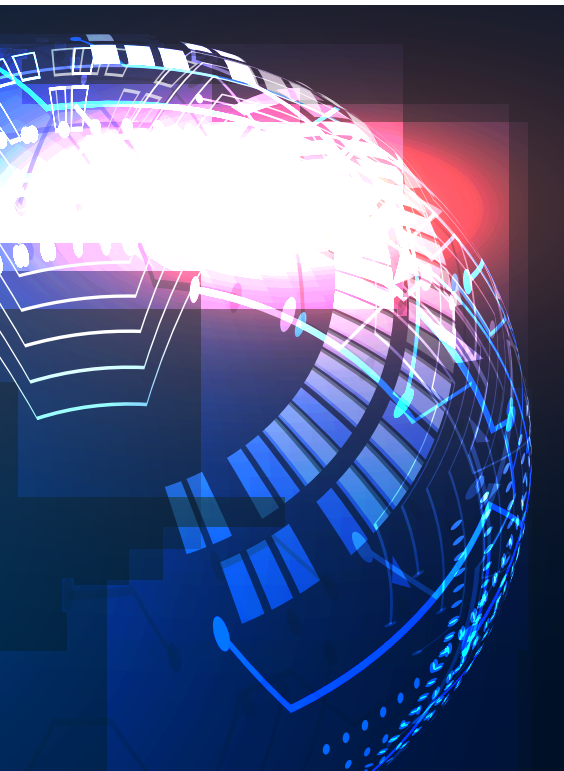
Disclosing that the government's "focus has already started to shift," he explained that The Bahamas plans to ramp-up its engagement with the European Union (EU) early in the New Year in a bid to secure its removal from the 27-nation bloc's own so-called blacklist of countries deemed "high risk" because of deficiencies in their anti-financial crime regimes.

The FATF's confirmation of The Bahamas' exit from its own initiative removes one of the major hurdles to The Bahamas' delisting by the EU. The latter had cited this nation's inclusion on the FATF list as a key reason for placing it on its own.

Still describing The Bahamas' departure from the FATF process as "a good day," he said, "The financial services industry will, I'm sure, go from strength to strength, and will market themselves – as they should – as being situated in a clean and well-regulated jurisdiction."

The FATF praised "the significant progress" made by The Bahamas in improving its anti-money laundering and counter-terror financing regime.

"The Bahamas has strengthened the effectiveness of its anti-money laundering and counter-terror financing regime system and addressed related technical deficiencies to meet the commitments in its action plan to remedy the strategic



deficiencies identified by the FATF in October 2018,” the FATF said.

“The FATF now delists The Bahamas from the list of jurisdictions under increased monitoring. The Bahamas is therefore no longer subject to the FATF’s increased monitoring process. The Bahamas will continue to work with CFATF (the FATF’s Caribbean affiliate) to improve further its anti-money laundering and counter-terror financing regime.”

Compliant industry stakeholders such as Equity have been meeting weekly over the past year to drive the reforms resulting from major legislative changes including new Proceeds of Crime, Financial Transactions Reporting and Financial and Corporate Services Providers Acts, as well as the Register of Beneficial Ownership Act.

The Penal Code was reformed to include tax-based offences. The Financial Intelligence Unit was also enhanced with new software to speed up its file and case management, eliminating the “backlog” and enabling real-time management of the suspicious transactions reports it analyses. ■

NEW STRONGER TEAM

Equity Bolsters Management Expertise

THE RECENT HIRING of three new executives has added more depth and experience to Equity’s management team as it continues to strengthen its capabilities to meet client and regulatory expectations.

Keon Justin joined Equity Bank And Trust Bahamas Limited as Assistant Vice President, Finance and Operations. Mr. Justin has worked both locally and in the United States at companies such as PricewaterhouseCoopers, Marcum, LLP and International Vapor Group LLC.

Among his responsibilities are assistance with:

- Upkeep of the Group’s financial records in line with applicable international accounting standards
- Timely monthly reconciliation of all bank accounts
- Preparation of monthly, quarterly and yearly financial statements
- Preparation and submission of all required financial reports to local regulators.

Jillian Ferguson joins Equity Bank And Trust Bahamas Limited as its Assistant Vice President, Banking Operations (Back Office).

Before joining Equity Mrs. Ferguson enjoyed a successful career with Syz Bank (Bahamas) Limited where she was Deputy CEO and Senior Official

Her responsibilities include but are not limited to:

- Managing the efficient operation of the banking back office function
- Developing and maintaining relations with correspondent banks to ensure timely and accurate settlement of payments
- Preparing and reviewing fees for existing and potential clients
- Developing and implementing

operational efficiency in both software system and manual procedures

- Assisting with formulating business strategies with the head of banking department
- Ensuring completion of monthly bank account and securities reconciliations
- Reviewing and sign-off on monthly client statements
- Reviewing monthly and semi-annual Central Bank reports.

Equity Investment Funds Services Ltd. has also bolstered its management team with the hiring of **Torez Hanna** as an Assistant Vice President, Fund Accounting.

Mr. Hanna has worked with a number of companies including PKF Chartered Accountants, Deloitte & Touche as an auditor, and Genesis Fund Services, and Infincol (Bahamas) Limited where he served as an Accounting and Finance Manager.

His role will include:

- Supervision of a team of investment fund accountants
- Ensuring that the preparation of the investment funds’ net asset value statements are accurately and fully reported
- Assisting in the coordination of the set-up of investment funds
- Ensuring that the investment funds are in compliance with the regulatory guidance and national laws and other regulations
- Ensuring that the investment funds’ investors interests are protected. ■



DARE Legislation Opens the Door for New Industry

The recent passage of the **Digital Assets and Registered Exchanges Act, 2020 (DARE)** puts in place the legal framework for a vital, well-regulated and compliant industry in The Bahamas for those interested in entering the digital asset space.

It also creates specific opportunities for entrepreneurial Bahamian FinTech firms to enjoy the credibility of being licensed and functioning under a comprehensive regulatory regime and to participate in the FinTech industry that is being forged with DARE.

DARE legislation, enacted on December 14, 2020, facilitates the registration of digital token exchanges, and the provision of services related to digital token exchanges. It also provides for the regulation of digital assets-based service providers and businesses as well as the regulation of financial services related to the creation, offer, issuance or sale of digital tokens and other digital assets.

Prime Minister, Dr. the Most Hon. **Hubert Minnis** recently said that a Fidelity Digital Assets' Institutional Digital Assets Report illustrates the explosive growth of virtual assets, including virtual currencies, and the need for a jurisdiction like The Bahamas to equip itself with compliant and competitive legislation to participate in the digital asset space.

"The survey of almost 800 institutional investors across the US and Europe indicated that 36 percent of respondents are invested in digital assets, and that 6 out of 10 believe digital assets 'have a place in their investment portfolio,'" said the Prime Minister.

According to the report, over 80 percent of investors indicated that they would be interested in institutional investment products that hold digital assets.

"As an international financial centre with a considerable wealth management focus, this trending investor interest speaks to the potential for Bahamas-based wealth management experts to offer financial service related to digital assets," the Prime Minister said.



Prime Minister Hubert Minnis

development for The Bahamas. We have been broadening our service offerings in response to the indisputable evolution of the financial services industry towards FinTech products and solutions."

The **Securities Commission of The Bahamas (SCB)** has been working in close consultation with industry and external consultants on the development of DARE for the past two years. SCB Executive Director **Christina Rolle** noted that with the intense interest in digital asset related businesses, it was essential for the jurisdiction to have an appropriate regulatory framework in place.

Echoing the Prime Minister's comments, Head of Business Development and FinTech with the Equity Group of Companies, **Delphino Gilbert Cassar** said, "DARE is an important

"The number of queries the jurisdiction has received from entrepreneurs interested in venturing into this form of capital raising has mandated that we ensure legislative and regulatory parameters are in place to address how operators conduct themselves and how token issues come to market," she said.

Ms. Rolle added, "DARE solidifies a legislative structure with standards for entry into and participation in the digital assets space. These requirements stipulate who may participate, the level of capital required, the rules for reporting and seeking the Commission's approval, and the penalties for failure to comply."

Strict adherence to established anti-money laundering (AML) and counter-financing of terrorism (CFT) laws by DARE participants is required under the legislation and licensees are also statutorily mandated to ensure data protection measures are in place to safeguard the personal information of clients as well as to implement measures to prevent data breaches that would jeopardize clients' digital assets. Specifically DARE participants are required to implement the same AML/CFT and data protection measures as other regulated financial institutions.

By establishing the legal foundation for a new industry, DARE expands the playing field for financial services activity in the country, potentially creating new businesses and providing expansion opportunities for existing financial services providers and corporate services providers to grow their businesses into the digital space. It also allows for new FinTech operators to establish operations in The Bahamas, or to work with firms already in country.

In developing the legislative framework for DARE, the SCB examined the status and regulatory environment of crypto currencies in competitive IFCs



such as Switzerland, Hong Kong, Malta and Gibraltar, as well as the United States.

On the same day the DARE legislation was enacted, The Financial and Corporate Service Providers Act, 2020 (FCSP Act) was also brought into force, providing legal clarity for both corporate and financial service providers. The FCSP Act modernizes the two-decade old legal framework of the existing Act and establishes a full regulatory, internationally compliant framework with appropriate powers vested in the SCB as regulatory authority.

More important from a DARE perspective is that the FCSP Act provides for the registration of persons

engaged in the custody of digital assets as well as wallet service providers.

Similar to DARE the SCB began its extensive engagement with the industry in 2016 to develop a modern framework for FCSPs that is in keeping with international best practices and standards.

The Equity Group is positioning itself to provide crypto asset services such as:

- **Custody accounts for crypto assets**
- **Online banking access to view periodic reports of one's crypto asset portfolio**
- **Real estate Crypto Sales Liquidations**
- **Crypto Asset Liquidations generally**

- **Crypto Asset Trade Execution (Buy, Sell, Transfer, Purchase Transactions)**
- **Crypto Asset Compliance**
- **Support for the following crypto assets: Bitcoin, Bitcoin Cash, Ethereum, Litecoin, and Ripple**
- **Trusts for clients with digital assets.**

We assure you that Equity's crypto asset offerings are underpinned by thorough and enhanced compliance procedures and software purposed to take steps to decipher the source of the crypto assets that customers would like to be held in custody, transferred and received. ■

The Bahamas: Pandemic Economic Recovery Plan

An Economic Recovery Committee (ERC) established by the Prime Minister of The Bahamas has developed strategic recommendations to inform the government's policies to address the economic impact of the Covid-19 pandemic.

ERC Co-chair and CEO of Providence Advisors Limited, **Kenwood Kerr**, and a Non-Executive Director of Equity Bank And Trust Bahamas Limited, said that the Committee's recommendations could have a significant impact on the nation's economy.

"This report is the culmination of the efforts of dozens of Bahamians representing every major sector," he said.

"Experts and non-expert engaged citizens volunteered hundreds of hours to help us chart the course for our economic recovery. Every sector in this country is impacted."

ERC members met weekly as a general body and worked closely together on cross-functional teams divided into 10 sub-committees with a focus on different areas of the economy.

The sub-committees reviewed over 300 external recommendations submitted by members of the public and consulted with over 60 companies and organizations. The end-result of this

process was the 163 recommendations organized under the four themes of Resiliency, Dynamism, Inclusivity, and Sustainability.

Under the theme of creating a more **Resilient Economy**, there is a recommendation to establish a Sovereign Wealth Fund and a separate National

Infrastructure Fund underpinned by holdings of Crown land and government-owned real estate to mobilize capital for infrastructural and developmental initiatives.

Recommendations of note under the **Dynamic Economy** theme focus on the promotion of investment opportunities within The Bahamas, including signifi-

cantly expanding access to capital for Bahamians, the creation of Special Economic Zones in underdeveloped islands, the expansion of duty concessions beyond tourism and manufacturing to support all local businesses in their start-up phase, and the creation of an Entrepreneur Visa to lay a founda-

tion for local high-tech and FinTech opportunities.

The ERC also recommends a complete review of the tax burden on vulnerable segments of the local population to move towards a more progressive and equitable form of taxation, and the elimination of government red tape and bureaucracy to improve the ease of doing business.

The **Inclusive Economy**

Recommendations call for significant investments to further extract the value from the creative economy. Other people-focused recommendations include training for Bahamian entrepreneurs to participate in the shared economy, the support of independent school boards and charter schools to improve educational outcomes, and the funding of pre-apprenticeship training for senior high school students.

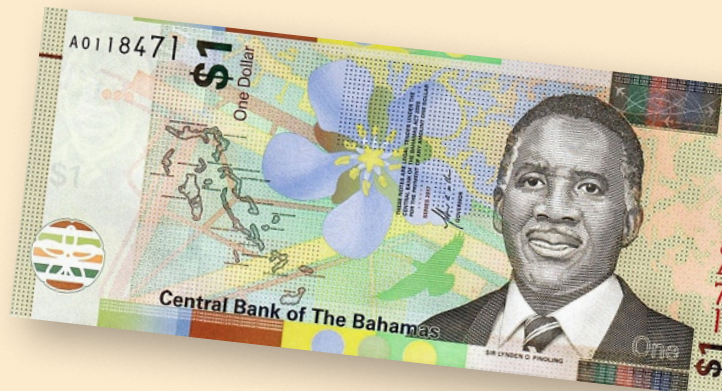
The **Sustainable Economy** theme involves reforms to local energy policy and environmental conservation policies, the collection of revenues on trans-Caribbean cables in Bahamian waters and on ships that come into Bahamian ports on their way to other destinations, and improving the transparency for approvals on large developments.

The Report also identified components of the international financial sector that have great potential for growth including:

- Positioning The Bahamas as a World Family Office Hub. This would involve



ERC Co-chair Kenwood Kerr



reforming immigration policy and processes to improve efficiency and expand options for investors; implementing a streamlined and clearly defined investment and regulatory framework; and tax policy review and reform and incentivize family offices that wish to establish in The Bahamas.

- Establishing The Bahamas as an International Commercial Arbitration Hub.
- Leveraging linkages between Tourism and Financial Services.
- Implementing an aircraft registry

by becoming a signatory to the Convention on International Interests in Mobile Equipment, CAPETOWN, 2001, and passing the required domestic laws.

Ivlyln Cassar, Equity's Chairman, said The Bahamas is not alone in resetting its economy in the pandemic and

post pandemic environments. "All countries face the same challenge," she said. "As the second most important sector in the Bahamian economy, financial services will play a key role in creating the type of economic environment that the Report advocates. We support the Report's themes of resiliency, dynamism, inclusivity and sustainability in resetting our economy because they are what drives the success the country's financial services industry and have been proven to be the keys to our clients success."

The full ERC report is available at www.opm.gov.bs. ■



**Equity Chair
Ivlyln Cassar**

Equity Launches Marketing Department

WITH REGULAR AND INFORMED stakeholder communication now for more-vital-than-ever updates, Equity has formalized its Marketing Department to enhance information on company developments and matters of interest to its clients and international and domestic audiences.

"In an ever-evolving world, and especially with the drive globally towards digitization, there are increasingly customized and convenient ways to stay in communication with our customers, prospective customers and the community, and to deliver services and product information," said Equity Chairman **Ivlyln Cassar**. "Equity's marketing practices shall embrace these advancements while remaining true to its principles of client confidentiality and regulatory observances."

The Marketing Department will be responsible for:

- **Continuing to promote Equity and its mission to protect and grow the estates of its clients by organizing and executing non-intrusive marketing campaigns across applicable channels, including but not limited to print, social media, radio, television, website and events-based marketing funnels**
- **Working to present available product and service opportunities to clients and prospective clients in digestible, interactive and relatable form**
- **Attracting prospective clients whom can greatly benefit from Equity's services**

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- Liaising with interested prospective clients and directing them to the relevant specialized department to satisfy their need(s)
- Planning customer appreciation efforts
- Keeping a pulse on what is happening within the community and coordinating efforts as Equity continues its legacy of social philanthropy and corporate social responsibility
- Researching current and historical customer need trends and regulatory impacts to convey timely relevant information and service offerings
- Acting as chief liaison with the media and publicists.

Existing marketing efforts have revolved around key note speaking and presences at notable conferences on specialized subject matters, publications in wealth management journals, participating within regulatory working groups, Equity's international newsletter Lion's Roar, its local Lion Press newsletter, select newspaper publica-

tions, and sponsoring of many worthwhile community-building endeavors. Equity shall continue to build on these campaigns to further engage customers, prospective customers and the Bahamian community.

For many years, Equity has thrived due to the organic word of mouth originating from satisfied clients, sharing their successful experiences with colleagues, friends and family.

Equity has also benefited from a network of specialized experts and knowledgeable professionals in the wealth management, corporate services, financial services and legal services sectors, whom after diagnosing the needs of their clients choose Equity to reliably fulfill their needs and to exceed expectations.

The Marketing Department will complement these efforts led by **Delphino Gilbert Cassar** and **Britney Sasha Dean**.

Mr. Cassar has a strong background in finance and expansive knowledge of Equity's product portfolio. His career has touched on the fields of stock market analysis, asset management, trusts and estate planning, investment funds administration and account-

ing, multi-currency private banking, FinTech and corporate services. He is also a full stack web developer having successfully developed solutions for the banking, shipping, airline and media industries.

Currently he serves as Head of Business Development & FinTech of Equity Group International, as Vice President of the Bahamas Investments and Securities Business Association, and is a member of the FinTech Working Group of the Bahamas Financial Service Board. He holds degrees from the University of Toronto and Harvard University.

Ms. Dean graduated from Florida International University with a Bachelor of Science in Hospitality Management with a specialization in Event Management. She has had roles in public relations and social media marketing for not-for-profit organizations. Her passions are digital content creation for companies as well as digital photography and event styling. She has an innate gift for the creativity that connects with audiences.

Among the projects scheduled for 2021 are the creation of interactive bite-size explainer videos. ■



Delphino Gilbert Cassar



Britney Sasha Dean

Fiercely committed to your success.



EQUITY

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