

WHO IS REQUIRED TO REGISTER

SECURITIES ACT, CAP. 318A

1. Market Intermediaries

In accordance with the Securities Act, Cap. 318A (Securities Act) persons carrying on business or holding themselves out in any of the following categories must be registered to carry on that activity:

- i. **Securities companies** i.e. companies carrying on business of trading in securities. (Otherwise known as broker/dealer companies or firms);
- ii. **Brokers** i.e. an individual engaged in the business of effecting transactions in securities for third parties;
- iii. **Dealers** in securities i.e. a company or an individual engaged in the business or buying and selling securities for his own account;
- iv. **Traders** in securities i.e. an individual employed by a broker (securities company) to participate in any trade in securities;
- v. **Investment advisers** (including investment fund managers providing investment advice to funds);
- vi. **Underwriters** of securities i.e. whether as a principal; agent; or participant directly or indirectly for consideration as outlined by the Securities Act.

Note:

- i. International Business Companies
 - ii. Companies licensed with the Central Bank
 - iii. Persons outside of Barbados providing services to persons resident in Barbados
 - iv. Individuals employed by a company to carry on business as a broker, trader, dealer or investment adviser
- are required to be registered if they are carrying on any of the aforementioned activities.

2. Issuers of securities and their securities

The Securities Act requires persons who issue securities to the public to be registered as Reporting Issuers. Securities offered to the public or listed with any self-regulatory organisations e.g. the stock exchange must be registered.

Note:

Exemption regimes have been developed which facilitate exemptions from registration for certain categories of issuers and their securities. Further information on the regimes may be found under the **Circulars** section.

3. Self-regulatory organisations

Stock exchanges and securities depositories are required to be registered in accordance with the Securities Act.

MUTUAL FUNDS ACT, CAP. 320B

1. Mutual funds

Mutual funds carrying on business in Barbados must be licensed in accordance with the Mutual Funds Act, Cap. 320B (Mutual Funds Act). A mutual fund is regarded as carrying on business or attempting to carry on business in Barbados:

(a) where it is incorporated, registered or established in Barbados to engage in mutual fund business; or

(b) where

(i) regardless of where it is incorporated, registered or established, its management, the control of all or substantially all of its assets, or its administration is carried on in Barbados; or

(ii) it otherwise falls within the description of a mutual fund based in Barbados; and it engages or proposes to engage in mutual fund business.

Note: “based in Barbados” has the meaning outlined in the Mutual Funds Act.

Types of fund licences:

a. *Limited investors mutual fund licence*

A mutual fund in which

- (a) the equity interests are held by not more than 15 investors the majority of whom are capable of appointing or removing the operator of the fund; and
- (b) in the case where any of the investors is a corporation, that corporation does not have more than 4 beneficial owners.

b. *Exempt mutual fund licence*

A mutual fund that is licensed in a foreign jurisdiction approved by the Minister and which is not suspended from operation in that jurisdiction. Note that an exempt mutual fund must, prior to applying for a licence appoint an agent to represent it in Barbados.

c. *A mutual fund licence (general)*

A mutual fund that is neither a limited investors mutual fund or an exempt mutual fund.

2. Mutual fund administrators/managers

Persons engaged in the management of the assets of a mutual fund or the administration of a mutual fund must be licensed in accordance with the Mutual Funds Act as mutual fund administrators.

Note:

- i. International Business Companies
- ii. Companies licensed with the Central Bank
- iii. Persons outside of Barbados providing services to persons resident in Barbados

are required to be licensed if they are carrying on any of the aforementioned activities.

Types of fund administration licences

a. General administration licence

The holder of a general administration licence is authorised to act or carry on business as a mutual fund administrator in respect of an unlimited number of mutual funds.

b. Restricted administration licence

The holder of a restricted administration licence is authorised to act or carry on business as a mutual fund administrator solely in respect of the mutual funds specified in the licence.