



BERMUDA

**INVESTMENT BUSINESS (RECOGNISED BODIES RECOGNITION
REQUIREMENTS) REGULATIONS 2024**

BR 77 / 2024

The Minister of Finance, in exercise of the power conferred by section 67(1) of the Investment Business Act 2003, makes the following Regulations:

Citation

1 These Regulations may be cited as the Investment Business (Recognised Bodies Recognition Requirements) Regulations 2024.

Interpretation

2 In these Regulations—

“Act” means the Investment Business Act 2003;

“applicant” means an applicant for a recognition certificate as an investment exchange or clearing house;

“recognition requirements” shall be construed as provided in section 67(2) of the Act.

Recognition requirements – recognised bodies

3 (1) Pursuant to section 67(1) of the Act, every applicant shall satisfy the Authority that it meets the recognition requirements set out in paragraph (2) prior to the Authority designating that such investment exchange or clearing house qualifies as a recognised body.

(2) An applicant meets the recognition requirements referred to in paragraph (1) by providing the Authority with information that demonstrates that the investment exchange or clearing house has—

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- (a) appropriate corporate governance arrangements;
- (b) adequate internal systems and controls;
- (c) an appropriate risk management framework;
- (d) adequate rules and procedures;
- (e) adequate capital and liquidity;
- (f) evidence of adequate insurance to cover risks inherent in the operation of its business of an amount commensurate with the nature and scale of the recognised body's operations;
- (g) adequate record keeping arrangements, including but not limited to recording of transactions; and
- (h) where arrangements are out sourced, an appropriate framework to manage and monitor such arrangements.

(3) The Authority may request additional information in order to determine that an applicant has met or can meet all of the recognition requirements under subparagraph (2).

Commencement

4 These Regulations shall come into operation on 29 July 2024.

Made this 25th day of July 2024

Premier and Minister of Finance

[Operative Date: 29 July 2024]