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# INVESTMENT FUNDS (AMENDMENT) ACT, 2014

## Arrangement of Sections

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### Section

1.	Short title.....	2
2.	Amendment of section 2 of the principal Act.....	2
3.	Amendment of section 7 of the principal Act.....	3



No. 37 of 2014

## INVESTMENT FUNDS (AMENDMENT) ACT, 2014

AN ACT TO AMEND THE INVESTMENT FUNDS ACT TO PROVIDE FOR THE REGULATION OF AN INVESTMENT CONDOMINIUM AS AN INVESTMENT FUND AND FOR CONNECTED PURPOSES.

[Date of Assent - 19<sup>th</sup> September, 2014]

Enacted by the Parliament of The Bahamas

**1. Short title.**

This Act, which amends the Investment Funds Act (*Ch. 369A*), may be cited as the Investment Funds (Amendment) Act, 2014.

**2. Amendment of section 2 of the principal Act.**

Section 2 of the principal Act is amended—

- (a) in the definition of “constitutive documents” by the insertion immediately after the words “in the case of a company” of the words “, the governing regulations in the case of an investment condominium,”;
- (b) in the definition of “equity interest” by the insertion immediately after the words “a trust unit” of the words “, a participation interest” ;
- (c) in the definition of “investment fund”, by the insertion immediately after subparagraph (c) of the following new subparagraph (d)—
  - “(d) an investment condominium, that issues or has equity interests the purpose or effect of which is the pooling of investor funds with the aim of spreading investment risks and achieving profits or gains arising from the acquisition, holding, management or disposal of investments which is established and registered in The Bahamas;”;

- (d) by the insertion immediately after the definition of “investment advisor” of the following new definition “investment condominium”—
  - “**“investment condominium”** means an investment condominium established and registered under the Investment Condominium Act;”
- (e) in the definition of “operator” by the insertion—
  - (i) immediately after the semi-colon at the end of subparagraph (c) of the word “or” ; and
  - (ii) immediately after subparagraph (c) of the following new subparagraph (d)—
    - “(d) where the investment fund is an investment condominium, the administrator of that condominium or the governing administrator as defined in section 2 of the Investment Condominium Act;”;
- (f) in the definition of “registered office” by the insertion immediately after—
  - (i) the semi colon at the end of subparagraph (e) of the word “or” ; and
  - (ii) subparagraph (e) of the following new subparagraph (f)—
    - “(f) in the case of an investment condominium the registered office of the administrator;”.

### 3. **Amendment of section 7 of the principal Act.**

Section 7 of the principal Act is amended as follows—

- (a) by the renumbering of subsection (2) as subsection (3); and
- (b) by the insertion immediately after subsection (1) of the following new subsection (2)—
  - “(2) An investment condominium where the holder of an equity interest does not have the option to redeem his equity interest or require the issuer to repurchase his equity interest must be licensed by the Commission as an investment fund.”.