

THE BAHAMAS

A PARADISE FOR MANY REASONS

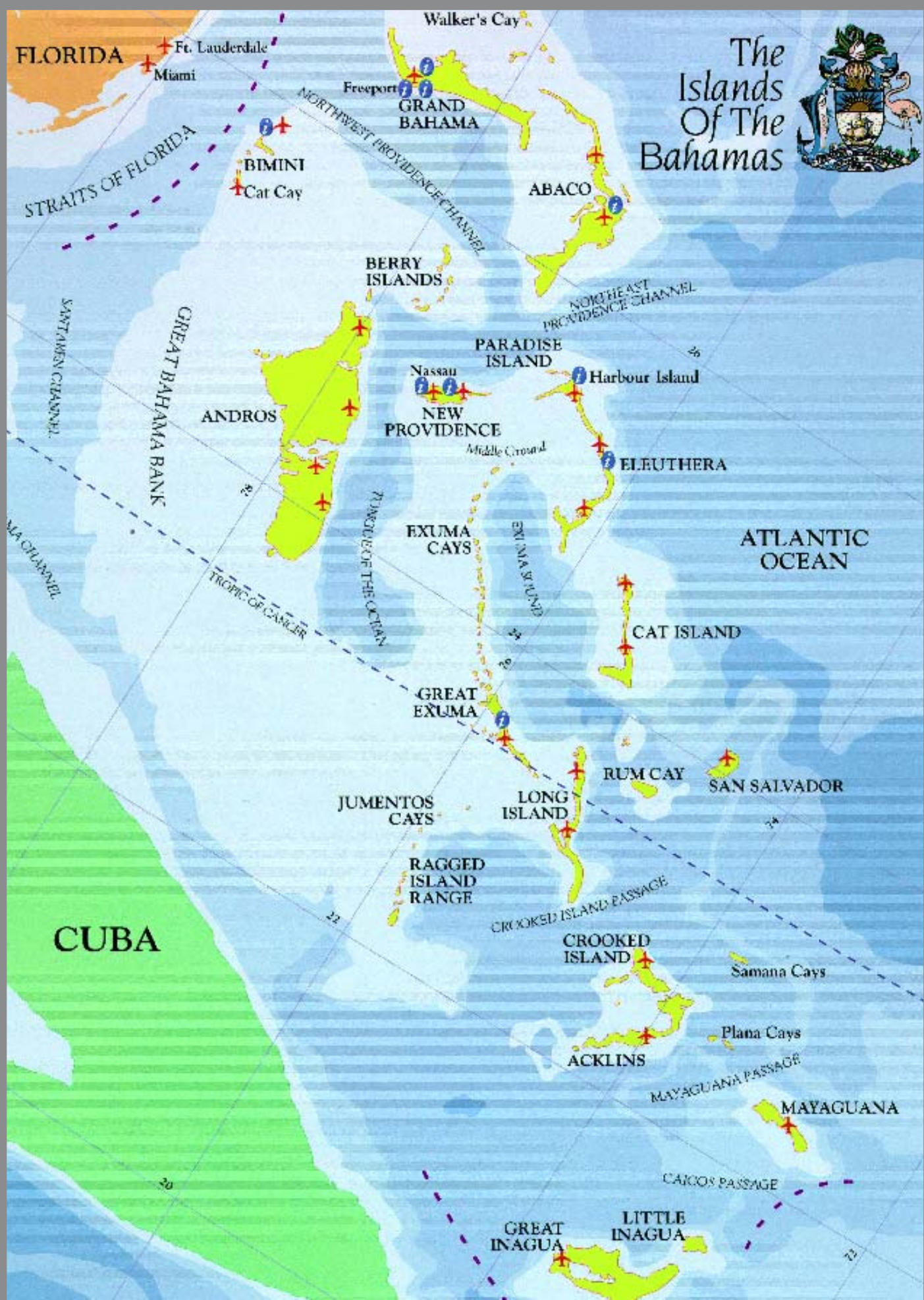




trade winds
blow across
The Bahamas



COMMONWEALTH OF THE BAHAMAS



The Islands Of The Bahamas





COMMONWEALTH OF THE BAHAMAS



A MESSAGE FROM THE PRIME MINISTER

We welcome your interest in The Bahamas. Our island nation is known for its natural beauty, vibrant tourism industry with a burgeoning vacation/second-home market. The Bahamas has a mature, sophisticated financial services sector. It is an important international business and financial centre.

Our country has a long and distinguished history of political and economic stability - as evidenced by a Parliamentary democracy of over 282 years and a continued and increasing inflow of international investment.

My government's commitment to growth is demonstrated by our business-friendly economic policy that promotes foreign direct investment and assures investors of an established legal framework in which to work. Our business strategy is embodied in the National Investment Policy.

The Bahamas of today is a prime investment jurisdiction characterized by:

- A clearly defined, investor friendly National Investment Policy;
- Sound fiscal economic and monetary policy;
- Low taxation;
- A modern financial services sector supervised by independent regulatory Authorities;
- A world class open-ship registry regulated by The Bahamas Maritime Authority; and
- Targeted investment incentives to promote development in Tourism, Manufacturing, Agriculture, Light Industries, and Information Technology and Specialized Offshore Services.

HUBERT A. INGRAHAM
PRIME MINISTER



STRATEGICALLY LOCATED *in the* WESTERN HEMISPHERE

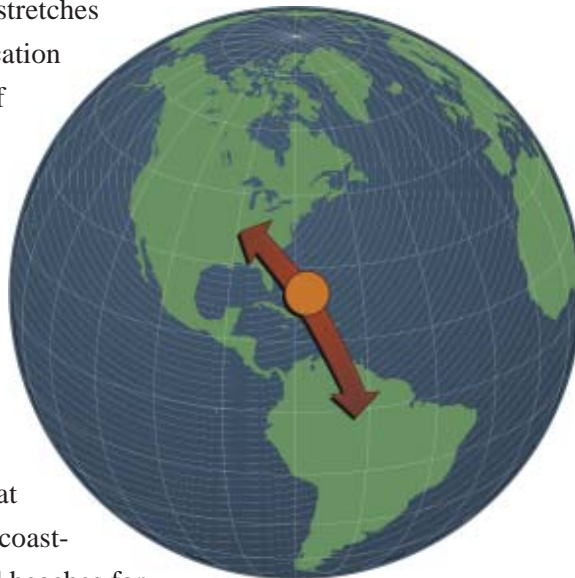
AT CROSSROADS OF THE AMERICAS

The Bahamas enjoys an ideal location at the crossroads of the Americas. It consists of a string of 700 islands and cays extending across an area of about 80,000 square miles in the Atlantic Ocean.

The northernmost island, Grand Bahama, lies only 50 miles from the coast of Florida and the coral archipelago stretches south to the doorstep of the Caribbean sea. This location offers easy access to the huge consumer markets of North, Central and South America, some 800 million strong.

The capital city of Nassau is on the island of New Providence. Freeport, the second largest city is situated on Grand Bahama. Islands in the archipelago other than New Providence and Grand Bahama are known as the Family Islands.^E

Lagoons punctuate the jagged, rocky coastline of The Bahamas and provide much of the beauty that attracts millions of visitors every year. Such ocean coastlines contrast with the white and pink powdery sand beaches for which The Bahamas is world renowned. Located along the Tropic of Cancer, it is washed by warm waters from the Gulf Stream and cooled by northerly trade winds. Often called The Isles of June, here is one of the finest tropical climates in the world.



*The Bahamas
offers easy access to the huge
consumer markets on the North
and South American continents,
some 800 million strong.*



A strong tradition of **DEMOCRACY** *and*

A SAFE AND STABLE LOCATION FOR INVESTMENTS

Parliamentary democracy was introduced to The Bahamas in 1729 and has been sustained uninterrupted for 282 years, making it one of the most stable countries in the world. The Bahamas has been a fully independent nation since 1973 and holds membership in the Commonwealth, the United Nations and the Organization of American States.

This longstanding democratic heritage

and maturity as an independent state makes The Bahamas one of the safest and most stable international locations for investments.

The Bahamian political system is based on the British parliamentary system. The Parliament consists of the House of Assembly and the Senate. Members of the House of Assembly, numbering 41, are directly elected every five years, while the 16 members of the Senate are appointed by the Governor General. Nine (9) senators are appointed



POLITICAL STABILITY

on the advice of the Prime Minister, four (4) on the advice of the Leader of the Opposition and three (3) on the advice of the Prime Minister after consultation with the Leader of the Opposition. Elections are competitive, with wide public participation, and always peaceful.

The Executive Branch comprises a Cabinet headed by the Prime Minister and includes a minimum of eight (8) other Ministers, one of whom must be the Attorney General.

Two major political parties, the Free National Movement (FNM) and the Progressive Liberal Party (PLP) have led successive Governments in The Bahamas since Independence was achieved in 1973. The PLP having been elected on four (4) occasions and the FNM on three (3) occasions, most recently in 2007.

The Bahamian judiciary is a well established and fully independent branch of government. English Common Law is the basis of the judicial system, although there is a large body of Bahamian statutory law.

The Supreme Court is a court of unlimited jurisdiction in civil and criminal matters. An appeal from the Supreme



Parliamentary democracy has been sustained uninterrupted for more than 282 years.

Court lies to The Bahamas Court of Appeal consisting of five jurists who previously held high judicial office.

The highest Court, the Privy Council, sits in London. Appeals from The Bahamas Court of Appeal lie with the Privy Council.



Atlantis, Paradise Island.



Club Med, San Salvador.



Quaint cottage accomodations, Harbour Island, Eleuthera.



Our Lucaya.

Investment factors: *a climate for BUSINESS*



LOW TAXATION

There are no taxes levied on capital gains, corporate earnings, personal income, sales, inheritance, or dividends. Benefits are available to all resident corporations, partnerships, individuals and trusts.

ECONOMIC AND MONETARY STABILITY

Investors are also attracted to the stability of the economy which is steadied by the solid value of the Bahamian dollar. This currency is pegged to the U.S. dollar on a 1:1 ratio. U.S. dollars and Bahamian dollars are used interchangeably throughout the island chain.

A WEALTH OF INVESTMENT INCENTIVES

The attractiveness of a low-tax environment and a stable currency are enhanced by a series of investment incentives that provide relief from customs duties on approved raw materials, equipment and building supplies, as well as allowing exemptions from real property taxes for up to 20 years.

- ◆ *The Hotels Encouragement Act*
- ◆ *The Industries Encouragement Act*
- ◆ *The Export Manufacturing Industries Encouragement Act*
- ◆ *The Agricultural Manufactories Act*
- ◆ *The Hawksbill Creek Agreement Act*
- ◆ *The Spirits and Beer Manufacture Act*
- ◆ *The Bahamas Vacation Plan and Time-Sharing Act*

EASY REPATRIATION OF PROFITS

In accordance with terms of the International Monetary Fund Agreement, The Bahamas has no restrictions

on current account transactions. Additionally, there are no restrictions on the repatriation of profits.

THE BAHAMAS INVESTMENT AUTHORITY (BIA)

*The Bahamas
Investment Authority
(BIA) was established
to reduce bureaucratic
delays for investors.*

AN INVESTOR-FRIENDLY AGENCY

The Government's proactive economic growth and development policies are guided by The Bahamas Investment Authority (BIA), established to reduce bureaucratic delays for investors. Operating from the Office of the Prime Minister, the BIA has been designated a "one-stop shop" designed to simplify investing in The Bahamas. The agency has a four-fold mandate to:

- ◆ *promote investment;*
- ◆ *evaluate project proposals;*
- ◆ *monitor and co-ordinate project implementation and*
- ◆ *develop investment policies.*

Proposals to establish foreign-owned businesses are submitted to the BIA and approvals come through this agency, which coordinates with other arms of Government regarding investment matters.



Opening of Legal Year.

ACCESSABLE INTERNATIONAL FINANCING

The Bahamas is associated with organizations that ease access to financing and provide important safeguards for investors. The U.S. Government's Overseas Private Investment Corporation (OPIC), for example makes direct financing and loan guarantees available to foreign investors. The Multilateral Investment Guarantee Agency is a World Bank unit and parent of the Multilateral Investment Guarantee which provides protections similar to those of OPIC's. The Bahamas also recently became a party to the Convention on the Settlement of Investment Disputes.

FLEXIBLE IMMIGRATION POLICY

Necessary work permits for key personnel are readily granted. Business requiring work permits for other than key personnel are encouraged to advise of their needs at an early stage of their discussions with The Bahamas Investment Authority.

International persons who own a residence in The Bahamas may apply and be considered for Permanent Residence in The Bahamas.

Qualifying major investors and owners of residences valued in excess of \$1.5 million receive accelerated consideration for permanent residence status.

All international persons owning residences in The Bahamas are eligible to receive, upon application to the Director of Immigration, an annual "Home Owners Card". This card facilitates entry into The Bahamas and entitles the owner, his/her spouse and minor children to multiple entries to The Bahamas and the ability to remain in The Bahamas for the duration of the validity of the card.



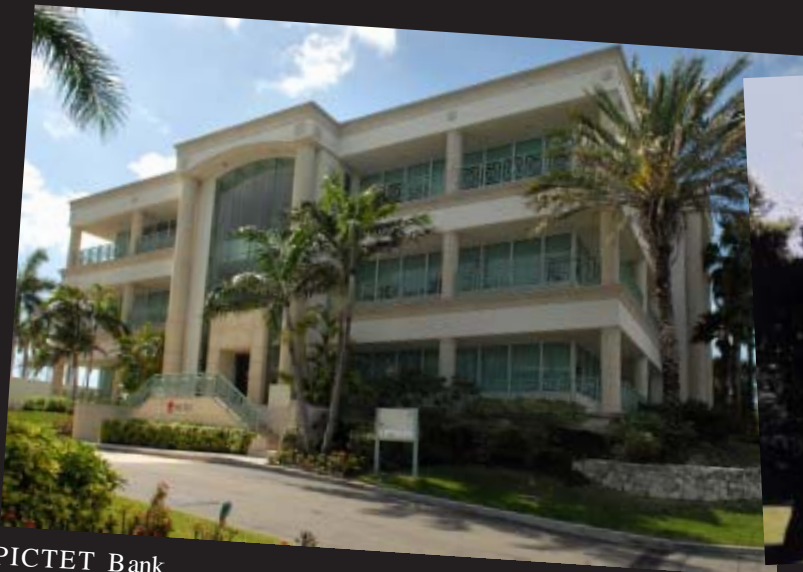
Goodman's Bay Corporate Centre.



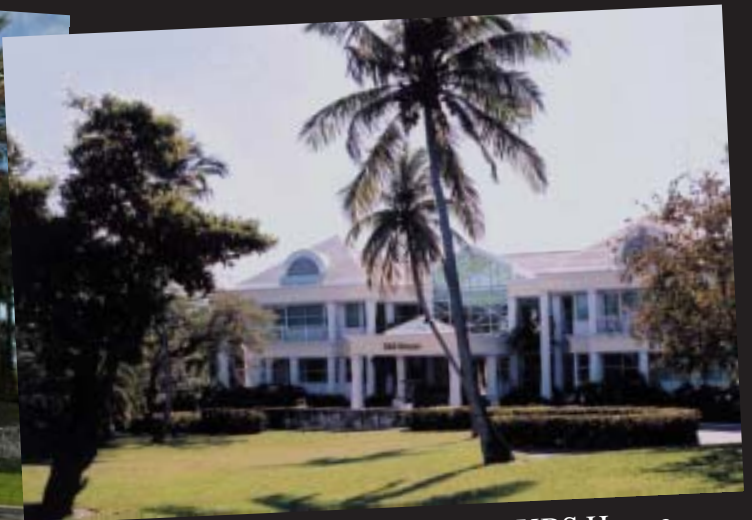
Citi Bank & Scotia Bank.



First Caribbean Int. Financial Centre.



PICTET Bank.



UBS House.



The Royal Bank of Canada.

Over 250 banks and trust companies from 25 countries are currently licensed to do business within or from The Bahamas.

tradition of EXCELLENCE *in* OFFSHORE BANKING

NEW LEGISLATION / STRICT CONFIDENTIALITY

The Bahamas is an international financial centre. Many of the world's largest and most prestigious financial institutions have set up branch or subsidiary operations in The Bahamas, taking advantage of the country's stable political system, modern and accommodating business legislation and skilled workforce.

Over two hundred and fifty banks and trust companies from twenty-five different countries are currently licensed to do business within or from The Bahamas. The Central Bank of The Bahamas supervises all bank and trust companies, and is responsible for licensing and compliance.

The Bahamas is a low-tax jurisdiction with no taxes on personal or corporate incomes, capital gains, gifts, wealth or inheritance, and a regulatory regime which adheres to best international practices and which is risk-based in its approach to supervision.

The legislative framework governing the activities of the financial services industry is modern and accommodating. Bahamian law protects the right to confidentiality. Continuous review and update aims to keep business and financial services legislation abreast of changing investor requirements.

Innovative instruments and legislation provide for:

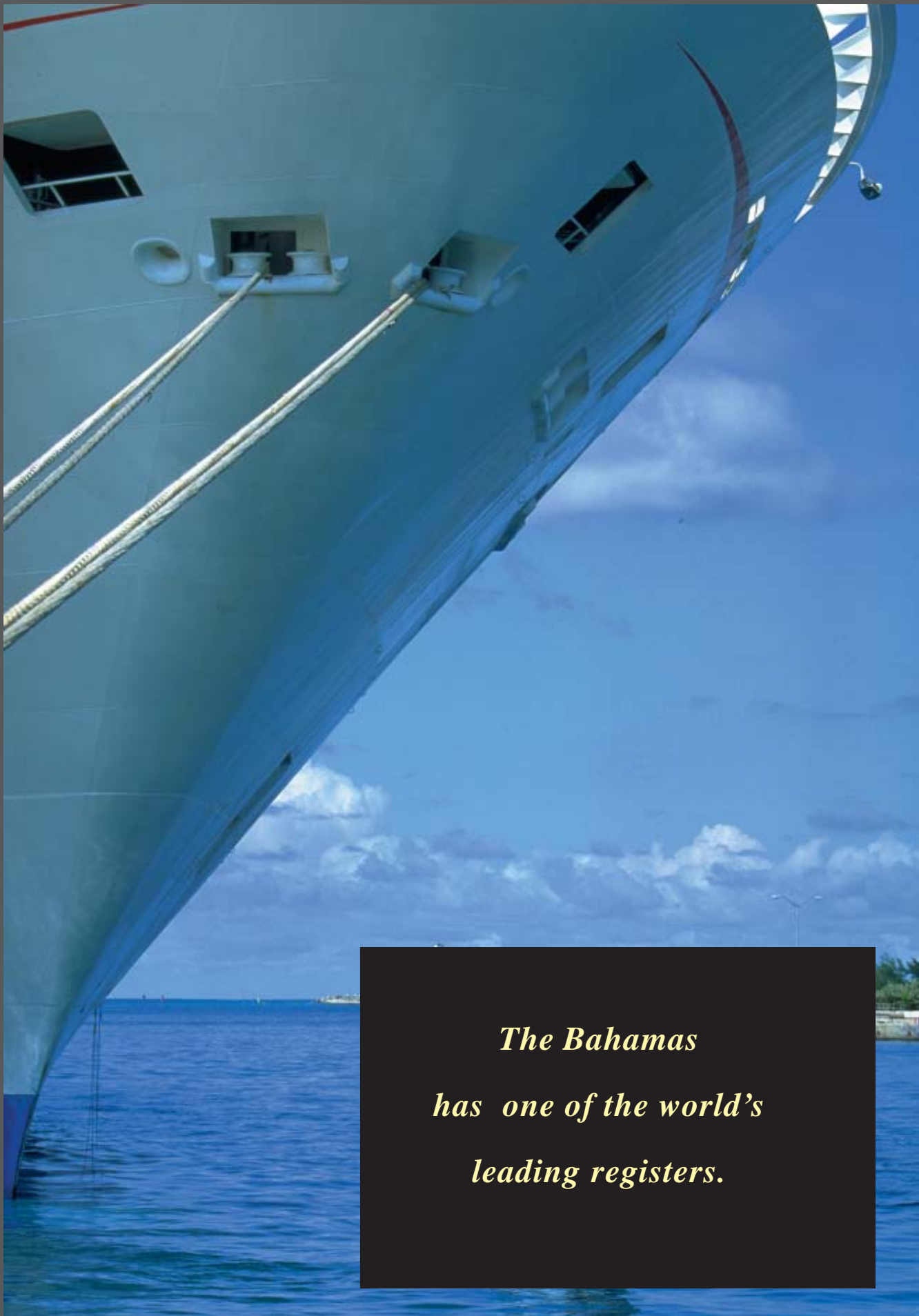
- ◆ Private, Purpose and Charitable Trusts;
- ◆ Professional, SMART and Standard Funds;
- ◆ Captive, Life and (Re) Insurance;
- ◆ Segregated Accounts Companies;

- ◆ Limited Duration Companies;
- ◆ Companies Limited by Guarantee;
- ◆ Exempted Limited Partnerships and
- ◆ Foundations

The Bahamas is committed to the evolving global standards that preserve the integrity of its financial services industry.

Having regard to and structured upon the accepted international standards of transparency and tax information exchange, the Government has brought into force the International Tax Cooperation Act, 2010, and concluded twenty-four (24) tax information exchange agreements.

The Bahamas
is an international
financial centre.



*The Bahamas
has one of the world's
leading registers.*

flying the BAHAMIAN FLAG

A WORLD LEADER IN MARITIME AFFAIRS

With over 52 million in gross tonnage The Bahamas Ship Registry has one of the largest fleets in the world. Our long history of political stability, our strategic location in the Western Hemisphere and our favourable business climate have all contributed to this success.

We are proud to be on the White Lists of all of the world's Port State Control regimes. Many of the most respected international shipowning companies fly the Bahamian flag, including: Exxon International, MSC, Maersk Line, Cunard Lines, The East Asiatic Company, Teekay Shipping, Chevron, Disney Cruise Line and Holland-America Cruises.

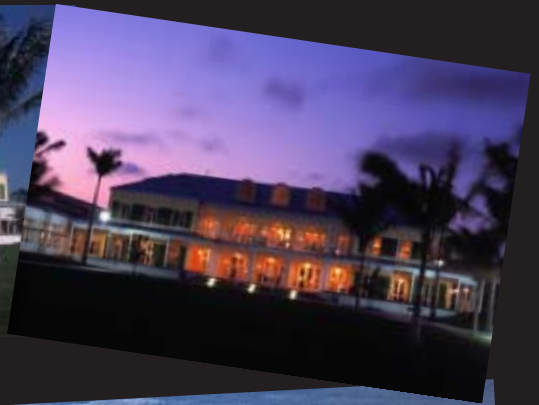
Ship-owners enjoy freedom from taxation, flexibility in crewing, ease of safety and tonnage certification and world-class banking services.

The Bahamas Maritime Authority (BMA), established in 1995, is an autonomous, government-owned corporation specifically created to be responsive to the needs of the maritime marketplace. The BMA maintains offices in London, New York and Hong Kong. The BMA is committed to excellence and maintaining the highest international standards.



Companies flying the Bahamian flag include:

- ◆ *Exxon International* ◆ *Maersk Line*
- ◆ *The East Asiatic Company*
- ◆ *Holland-America Cruises*
- ◆ *Teekay Shipping* ◆ *Chevron*
- ◆ *Disney Cruise Line*



**visitors to The Bahamas spend an average of
\$2 billion annually in the islands**



Our Lucaya.



A PARADISE

for the AMERICAS

A STRATEGIC LOCATION / UNIQUE ECOTOURISM OPPORTUNITIES

Tourism counts in The Bahamas. It is the engine of our economy, the chief employer and principal foreign currency earner. In 2010 The Bahamas welcomed some 5.25 million visitors including some 3.80 million cruise passengers.

Tourism contributes nearly 40% to the country's total gross domestic product. Just over US\$2 billion is spent annually by our more than 5 million visitors. Based on its growing capacity to create jobs, earn foreign exchange and generate income, tourism is expected to remain the dominant industry of The Bahamas for the foreseeable future.

Under the Hotels Encouragement Act, hotel developers and developers of restaurants, shops and other amenities catering to the tourism sector are exempted from customs duties on construction material and furnishings. Exemption from real property tax is also available. The rapidly growing time share, vacation and fractional ownership sector is also afforded development incentives under the Vacation Plan and Time-Sharing Act.

The 700 Bahamian islands have retained their unspoiled and incomparable natural beauty. Offering unused beaches, rich tropical scenery and wildlife, and azure seas, eco-friendly hotel development in the Family Islands represents one of the most promising sectors for investment.

Our principal tourism destinations are located on Nassau/Paradise Island, and Freeport/Grand Bahama Island. Other important resort developments exist on the Abacos, the Exumas, Eleuthera, Long Island and San Salvador.

The Bahamas is host to fourteen 18-hole golf courses located at Nassau, Paradise Island, Grand Bahama, the Abacos, Eleuthera, and the Exumas.

Especially popular with second home owners are Grand Bahama, Abaco, Eleuthera, Harbour Island, Exuma and Long Island as well as New Providence.

The tourism industry also benefits from a modern and improved infrastructure.

- ◆ In New Providence, improvements to Nassau Harbour, the expansion and upgrade of the Lynden Pindling International Airport and a major roadway and public utility upgrade including the development of new recreational parks are meant to improve the general environment for residents and visitors alike.
- ◆ The country maintains some 25 international air and sea ports. Significant upgrades are underway or scheduled for airports, docks, roadways and utility services around the Family Islands.
- ◆ A modern communication system connects the islands of The Bahamas via land and cellular telephone and internet. The privatization of the government-owned Bahamas Telecommunication Company (BTC) in April, 2011, promises to improve and expand the gamut of ITC services available and to reduce costs to internationally competitive rates.
- ◆ Cable television services are available to over 95% of households located in The Bahamas.



Cruise ships in Nassau's Harbour.

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World-class Freeport Harbour & Container Port.

TRADE WINDS

blow through THE BAHAMAS

EASY ACCESS TO MAJOR MARKETS

The manufacturing sector of the economy is maturing into a major contributor to growth and progress in The Bahamas. Today, manufacturing contributes some \$205 million in value added to the economy annually, some 3.1% of total GDP.

Manufacturers enjoy a variety of tax breaks and attractive incentives by locating a business in The Bahamas. Companies pay no taxes on personal or corporate income, capital gains or dividends. Investors benefit from concessions available under the provisions of the Industries Encouragement Act which exempts manufacturers from import duties on equipment and real property tax.

The Bahamas is strategically located 50 miles off the

U.S. coast. Additionally, it is a party to the Caribbean Basin Initiative, CARIBCAN and the Economic Partnership Agreement which allow most Bahamian products to enter the U.S., Canada, and Europe duty free – a market of close to 600 million people.

The Bahamas' largest industrial centre is Freeport on the island of Grand Bahama. Freeport is a 200 square mile free trade zone and tax free zone whose focal point is the world class Freeport Harbour and Container Port, able to accommodate the world's largest ocean going vessels. Businesses at the harbour include wet docking and ship repair/care.

MANUFACTURING OPPORTUNITIES

- ◆ *Fisheries and Mariculture*
- ◆ *Electronics Manufacturing*
- ◆ *Pharmaceuticals Manufacturing*
- ◆ *Computer Assembly*
- ◆ *Jewelry Manufacturing*
- ◆ *Personal Care and Cosmetic Products*
- ◆ *Shoe and Garment Manufacturing*
- ◆ *Tools Assembly and Manufacturing*
- ◆ *Light Plastics Products*
- ◆ *Furniture Manufacturing*

*It is easy
to own
a second
home in
The Bahamas.*

AN ISLAND HOME

International persons are encouraged to acquire residential properties in The Bahamas. The International Persons Landholding Act, 1993 was designed to reduce the bureaucracy associated with acquisition of real estate by non-Bahamians.

Prior Government approval is not required for non-Bahamians to purchase an owner occupied property or to purchase vacant property of less than two acres for the construction of a residence. Such acquisitions are, however, required to be registered with the Investments Board and the Central Bank.

The Bahamas has an active second home market making the assets of The Bahamas more easily accessible



to those who enjoy living and/or doing business in paradise.

The Bahamas Immigration Policy admits the grant of residency permits to non-Bahamian investors and homeowners.

A homeowner's card is available to all non-Bahamian owners of residences. The card facilitates immigration formalities at all Bahamian ports of entry and entitles the homeowner, his/her spouse and minor children to enter and remain in The Bahamas for the duration of the validity of the card.

OWNING *a piece* of PARADISE



Major international investors and owners of residences valued at \$1.5 million or more are accorded accelerated consideration of applications for permanent residence.



New U.S. Departure Terminal at the Lynden Pindling International Airport (LPIA)



LPIA Stores

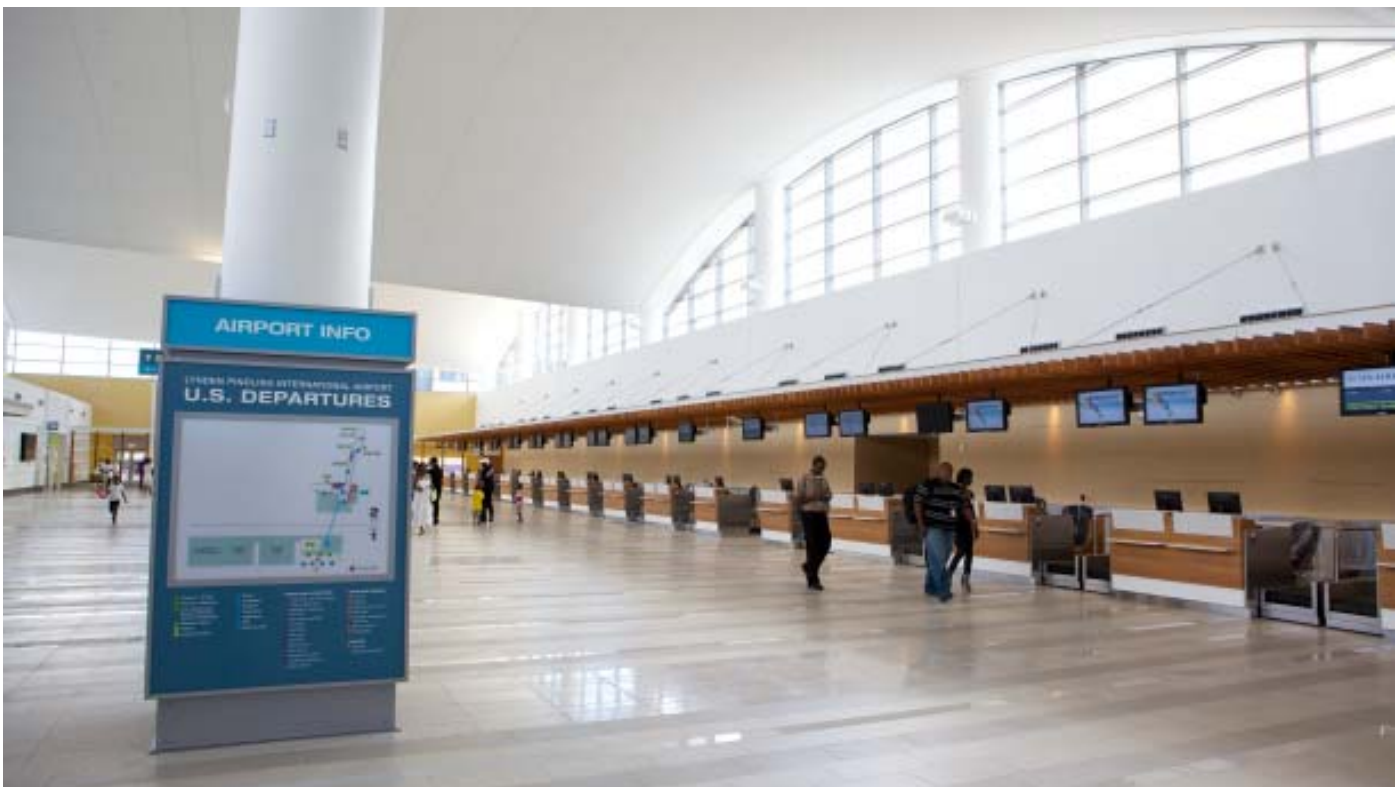
a modern
INFRASTRUCTURE
for ECONOMIC
PROGRESS

The Bahamas has launched the most comprehensive and ambitious infrastructural investment programme in Bahamian history so as to enhance the quality of life for Bahamians and residents and the visitor experience of guests to our country

The first phase new Lynden Pindling International Airport (LPIA) in Nassau– the U.S. Departure Terminal opened for business on 16th. March, 2011. This new facility offers world-class customer service and meets all international safety standards

The LPIA will be linked to downtown Nassau by a new four-lane Gateway Highway now under construction. The Gateway Highway will connect with other extensive road works under way around New Providence Island, the site of the capital Nassau.

Dredging of Nassau Harbour completed in December, 2009 now permits calls by the largest cruise ships in the world.



Interior of LPIA's new U.S. Departure Terminal.



Bahamasair, the national airline.

The construction of a new port just outside of the City at Arawak Cay will permit removal of cargo shipping from downtown Nassau beginning in December, 2011.

And the reconstruction of the historic Nassau Straw Market, destroyed by fire in 2001 and scheduled for completion in 2011 will enhance the old charm of historic City of Nassau.

And, a new National Stadium at the Queen Elizabeth Sports Centre is nearing completion. When opened in the second half of 2011 it will be one of the best athletic and sporting complexes in the Caribbean.



One of the many cruise ships calling on Nassau.

EXTENSIVE INTERNATIONAL AIRLINKS



Straw Market, Bay Stret, Nassau. (Under construction)

Six major airports in The Bahamas are served by various international airlines, including Delta, Air Canada, Jet Blue, West Jet, Spirit, American Eagle, U.S. Airways, Gulf Stream/Continental, Cubana and British Airways that fly to key destinations in the United States of America, Canada, South America, the United Kingdom and the Caribbean with connections around the globe. Scheduled domestic services by the national airline, Bahamasair and other scheduled carriers, Sky Unlimited, Western Air and Flamingo link the island chain, while also providing scheduled service to Florida and Turks & Caicos

Nassau's New Six-legged Round-about..



Princess Margaret Hospital.

A CROSSROADS FOR INTERNATIONAL SHIPPING

Twenty-Three seaports dot The Bahamas, allowing for regular shipping connections to the Americas and Europe. The ports in Nassau and Freeport are major international transshipment

centres servicing both tourism and commerce. The Freeport Harbour, a focal point of the 200 square mile Freeport free trade zone makes Freeport a state-of-the-art container transshipment terminal.

MODERN TELECOMMUNICATIONS

Instantaneous direct international links are provided through a 100 percent digital switching system. International cellular telephone, facsimile, internet access, automatic radio paging and private line services are all

available. The privatization of the Government-owned Bahamas Telecommunications Company (BTC) in April, 2011 promises to expand the range and quality of all ITC services.

MODERN AND EXTENSIVE MEDICAL FACILITIES

In New Providence, The Princess Margaret Hospital provides a wide range of specialist facilities. There are two smaller private hospitals, Doctors Hospital and Lyford Cay Hospital which offer specialized state-of-the-art medical treatment.

Recently, Doctors Hospital has become engaged in health tourism initiatives.

In addition, community health clinics are located throughout the archipelago. Resident medical doctors provide health care in the Family Islands.



A FRIENDLY *and* HARDWORKING PEOPLE

AN ABUNDANCE OF SKILLED LABOUR

The Bahamas was first colonized by the British beginning in 1648. A small population subsisted on the islands and was subsequently joined by British Loyalists and their slaves who left the United States during the American Revolution. A majority of the proud, hard working people of The Bahamas are of African descent. A substantial minority consists of Caucasians from the United Kingdom, Europe and the United States. Smaller populations of Chinese and Indian immigrants have settled in The Bahamas during the past 50 years, as have immigrants from several Caribbean countries.

The Bahamian “melting pot” thus created, finds expression in its love of pageantry and tradition inherited from the British, but also in its preparedness for the 21st century so closely associated with the modern business style of North America.

The population of The Bahamas is approximately 350,000, with an annual growth rate of about 1.6 percent. Nearly 60 percent of the people live in New Providence, 15 percent reside in Grand Bahama and the remainder make their homes on the various Family Islands. The Bahamas has an abundance of skilled labour and an educated population. The nation enjoys an adult literacy rate of above 95 percent.

Approximately half of the workforce is employed in tourism or tourism related jobs. The offshore financial services sector, the second largest sector in the economy, employs close to 4,000 people. The remainder of the workforce is employed by the wholesale and retail, construction, manufacturing, agriculture, fisheries and government sectors.



*The Bahamas is
21st century ready.*

A PARADISE *for many* REASONS

LIVE AND WORK IN THE BAHAMAS

The sheer beauty of The Bahamas with its spectacular beaches, turquoise seas and friendly people are wonders that have been drawing visitors for centuries. Today, the islands beckon with these attractions and more. Economic incentives compel the wise investor to consider the advantages of the favourable tax status, the noted political stability, the modern infrastructure, the educated workforce, the ideal location and the commitment of the Government to providing the most accommodating environment for investment. Indeed, there are many reasons to enjoy paradise.





THE BAHAMAS NATIONAL INVESTMENT POLICY

Economic Policy

The Government of the Commonwealth of The Bahamas is committed to building an economic environment in which free enterprise can flourish; where the Government assumes its proper role as regulator and facilitator of economic development; where the ideals of transparency, fair play and equality of treatment are paramount; and a policy that maintains a stable society in which all people are afforded the opportunity to realize their maximum potential. In this regard, the National Investment Policy is designed to support an investment friendly climate. It guarantees the complementarity of Bahamian and overseas investments; fosters appropriate linkages with all sectors of the economy, in particular the tourism and financial services sectors; encourages the exploitation of our natural resources in an environmentally sound, safe and sustainable manner; provides for the maximum level of employment; guarantees an acceptable level of economic security; and generally fosters the economic growth and development of The Bahamas.

The Investment Environment

To undergird the National Investment Policy, the Government will provide:

- ◆ A politically stable environment conducive to private investment;
- ◆ An atmosphere where investments are safe and the expropriation of investment capital is not a considered option;
- ◆ A legal environment based on a long tradition of parliamentary democracy, the rule of constitutional and statute laws and where security of life and personal property are guaranteed;
- ◆ A stable macroeconomic environment bolstered by prudent fiscal management, a stable exchange rate, flexible exchange control rules and free trade;
- ◆ An environment in which freedom from Capital Gains, Inheritance, Withholding, Profit Remittance, Corporate, Royalties, Personal Income, Dividends, Payrolls and Interest taxes is ensured;
- ◆ Essential public services, an adequately equipped police constabulary, modern health and education facilities and other social services;
- ◆ Dependable public utilities; and
- ◆ Essential public infrastructure such as roads, ports and airports.

International Financial Centre

The Government is committed to enhancing the image of The Bahamas as an international financial centre. To this end, the Government will use international best practices as it:

- ◆ Maintains The Bahamas as a leading financial services centre;
- ◆ Monitors all developments in the international financial markets and amend any rules, regulations or legislation that would preserve and enhance the competitiveness of the financial services sector of the Bahamian economy;
- ◆ Ensures the operation of a clean financial centre with specific rules and regulations to prevent the laundering of criminally derived assets;
- ◆ Supports the Central Bank of The Bahamas in its commitment to bank supervision and promoting high standards of conduct and sound banking practices; and
- ◆ Supports the self-regulatory measures of the Association of International Bank and Trust Companies (AIBT), particularly, the established code of conduct for bank and trust companies.

Investment Incentives

The Government provides meaningful investment incentives, including exemption from the payment of customs duties on building materials, equipment and real property taxes for periods up to twenty years, under the following legislation:

- ◆ The Export Manufacturing Industries Encouragement Act
- ◆ The Industries Encouragement Act
- ◆ The Agricultural Manufacturers Act
- ◆ The Tariff Act
- ◆ The Free Trade Zone Act
- ◆ The City of Nassau Revitalization Act
- ◆ The Hotels Encouragement Act
- ◆ The Family Islands Development Encouragement Act
- ◆ The Spirits and Beer Manufacturers Act
- ◆ The Bahamas Vacation Plan and Time-Sharing Act

Note: Custom duty exemptions do not apply to consumables.

Preferential Trade Incentives

Businesses located in The Bahamas may benefit from the following preferential trade arrangements:

- Economic Partnership Agreement (EPA)
- Caribbean
- Caribbean Basin Initiative

Administration of the Investment Policy

Executive Management of the Investment Policy is resident in the National Economic Council (NEC), headed by the Prime Minister. The Bahamas Investment Authority (BIA) or the Investor's "One-Stop-Shop" serves as the secretariat of the NEC and the Investments Board.

Establishing a Business in The Bahamas

An international investor seeking to do business in The Bahamas should submit to BIA a project proposal, along with supporting documents. The proposal should provide the information indicated in the following Project Proposal Guideline.

Project Proposal Guideline

Name
Please give the name of applicant, whether corporate. For a corporate entity it could be a proposed or reserved name.

Address
Please include telephone and/or fax.

Description of Proposal
Please provide a comprehensive executive summary of projects.

Principals
Please list all of the principals in the venture (major beneficial owners) along with identifying particulars such as place and date of birth and passport or social security number for each one.

Proposed Location
It is important to state where in The Bahamas the project is to be located.

Land Requirements
If a request is being made for publicly-owned land, please state the acreage and location. Applicants who wish to acquire privately held land must also apply for a permit to do so.

Proposed Start Up Date
Please indicate the maximum time for the commencement, and if possible completion of the project.

Management/Personnel Requirements
Please state the number of work permits that may be required for key personnel for administration and financial management.

Capital Investment (Minimum - US\$500,000.00)
Please indicate the total capital investment to be made in the project and provide a breakdown of the items involved and an estimate for start up costs.

Employment Projection
Please indicate the number of Bahamians to be employed in construction and / or operation of the project in the first year.

Financial Arrangement
Please provide proof of financial capability.

Environmental Impact
Please indicate any harmful environmental effect and list the mitigating measures that would be employed to deal with them.

General

To ensure the maximum benefit to The Bahamas from the National Investment Policy, certain immigration provisions will apply:

1. Work Permits

Necessary work permits will be granted for key personnel. Approved investors in major development projects which investment creates employment and business opportunities for Bahamian citizens and who own or acquire a residence in The Bahamas, may be granted Permanent Residency status with the right to work in their own business.

2. International Owners of Second Homes

Overseas Investors may acquire residential properties in The Bahamas of up to two acres without prior Government approval. Such acquisitions are required to be registered in accordance with the International Persons Landholding Act. Second Home Owners are eligible for a Home Owners Residence Card, renewable annually. This card facilitates entry into The Bahamas and entitles the owner, his or her spouse and minor children to enter and remain in The Bahamas for the duration of the validity of the card. Application may be made to the Director of Immigration. Persons applying for land for commercial use are required to obtain a permit.

3. Permanent Residence

Accelerated consideration of applications for permanent residence will be given to:

- major international investors; and

- fit and proper owners of a residence valued at \$1,500,000 or more.

4. Areas Especially Targeted for Overseas Investors

- Touristic Resorts
- Condominium, Time-share and Second Home Development
- International Business Centre
- Marinas
- Information and Data Processing Services
- Assembly Industries
- High-Tech Services
- Ship Repair and other services
- Light Manufacturing for export
- Agro-Industries
- Food Processing
- Mari-culture
- Banking and other Financial Services
- Captive Insurance
- E-Commerce
- Aircraft Services
- Pharmaceutical manufacture
- Off-shore Medical Centres

N.B. This list is not exhaustive and investors interested in areas not included above are encouraged to bring their interest to the attention of BIA.

5. Areas Reserved for Bahamians

- Wholesale and Retail Operations;
- Commission agencies engaged in the import/export/trade;
- Real estate and domestic property management agencies;
- Domestic newspaper and magazine publication;
- Domestic advertising and public relations firms;
- Security services;
- Domestic distribution of building supplies;
- Construction companies, except for special structures for which international expertise is required;
- Personal cosmetic/beauty establishment;
- Commercial fishing;
- Auto and appliance service operations; and
- Public transportation.

International Investors may engage in the wholesale distribution of any product they produce locally.

6. Local Partners in Joint Ventures

International investors are encouraged to establish joint ventures with Bahamian partners. The choice of such Bahamian partners is at the absolute discretion of the investor.

IMPORTANT ADDRESSES

BAHAMAS INVESTMENT AUTHORITY

Office of the Prime Minister
Cecil V. Wallace-Whitfield Centre
Cable Beach
P.O. Box CB-10980
Nassau, The Bahamas
Tel.: (242) 327-5826/9
Fax: (242) 327-5806/327-5639
Web Site: www.bahamas.gov.bs/bia

CENTRAL BANK OF THE BAHAMAS

Frederick Street
P.O. Box N-4868
Nassau, The Bahamas
Tel.: (242) 302-2600 / (242) 322-2193/6
Fax: (242) 356-4307
E-mail: centralbankbah@mail.batelnet.bs

BAHAMAS CHAMBER OF COMMERCE

Shirley Street
P.O. Box-665
Nassau, The Bahamas
Tel.: (242) 322-2145/ (242) 322-3320
Fax: (242) 322-2649

INSURANCE COMMISSION OF THE BAHAMAS

Charlotte House, 3rd floor
Frederick Street
P.O. Box N-7770
Nassau, The Bahamas
Tel.: (242) 328-1068
Fax: (242) 328-1070

OFFICE OF THE REGISTRAR GENERAL

Charlotte & Shirley Streets
P.O. Box N-532
Nassau, The Bahamas
Tel.: (242) 323-0594/6
Fax: (242) 322-5553

SECURITIES COMMISSION OF THE BAHAMAS

Charlotte House, Charlotte Street
P.O. Box N-8347
Nassau, The Bahamas
Tel.: (242) 356-6291
Fax: (242) 356-7530
E-mail: secbd@batelnet.bs

BAHAMAS REAL ESTATE ASSOCIATION

Shirley Street & Collins Avenue
P.O. Box N-8860
Nassau, The Bahamas
Tel.: (242) 325-4942
Fax: (242) 322-4649

GOVERNMENT PUBLICATIONS OFFICE

Lighthouse Building, Bay Street
P.O. Box N-7147
Nassau, The Bahamas
Tel.: 322-2410
Fax: (242) 328-8294

GRAND BAHAMA PORT AUTHORITY

East Mall Drive & Pioneer's Way
P.O. Box F-42666
Freeport, Grand Bahama, The Bahamas
Tel.: (242) 352-6711
Fax: (242) 352-8310

BAHAMAS FINANCIAL SERVICES BOARD

P.O. Box N-1764 – Nassau, The Bahamas
Tel.: (242) 326-7001
Fax: (242) 326-7007
Web-site: www.bfsb/bahamas.com
E-mail: bfsb@bahamas.net.bs

ASSOCIATION OF INTERNATIONAL BANKS & TRUST COMPANIES

Royal Palm Mall, Mackey Street
P.O. Box N-7880
Nassau, The Bahamas
Tel.: (242) 394-6755
Fax: (242) 394-3503

BAHAMAS MARITIME AUTHORITY

3rd Fl. Manx Corporate Centre
P. O. Box N-4679
Nassau, The Bahamas
Tel.: (242) 356-2037
Fax (242) 356-5889

BAHAMAS OVERSEAS MISSIONS

ATLANTA

Consul General
Bahamas Consulate General
2970 Clairmont Road, Suite 690
Atlanta, GA 30329, U.S.A.
Tel.: (404) 214-0492

CANADA

Bahamas High Commissioner
Bahamas High Commission
Metropolitan Life Centre
50 O'Connor Street, Suite 1313
Ottawa, Ontario K1P 6L2, Canada
Tel.: (613) 232-1724
Fax: (613) 232-0097
E-Mail: Ottawa.mission@bahighco.com

CHINA

Ambassador
Embassy of The Bahamas
4th Floor, Tayuan Diplomatic Office Building
14 Liangmahe Nan Lu, Chaoyang District
Beijing, 100600, People's Republic of China
Tel.: 011-86-10-6532-2922
Fax: 011-86-10-6532-2304

HAITI

Charge d'Affaires a.i.
Embassy of The Bahamas
12 Rue Goulard
Place Boyer, Petion-Ville, Haiti
Tel.: (509) 578-782
Fax: (001) 509-578-782

LONDON

Bahamas High Commissioner
Bahamas High Commission
No. 10 Chesterfield Street
London W1J 5JL, England
Tel.: + 44-207-408-4488
Fax: + 44-207-499-9937
E-mail: info@bahamashclondon.net

MIAMI

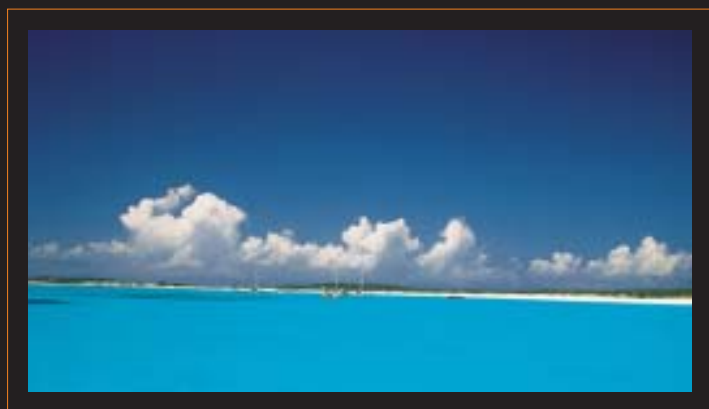
Consul General
Bahamas Consulate General
25 S.E. 2nd Avenue
Ingraham Building, Suite 818
Miami, FL 33131, U.S.A.
Tel.: (305) 373-6295
Fax: (305) 373-6312
Telex: 203-807-849

NEW YORK

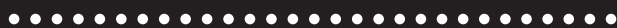
Consul General
Bahamas Consulate General
Bahamas House
231 East 46th Street
New York, NY 10017, U.S.A.
Tel.: (212) 421-6420
Fax: (212) 688-5926

WASHINGTON

Ambassador / Permanent Representative
Embassy of The Bahamas
2220 Massachusetts Avenue, N.W.
Washington, D.C. 2008
Tel:(202) 319-2660/7; Fax: (202) 319-2668



BAHAMAS INVESTMENT AUTHORITY



OFFICE OF THE PRIME MINISTER
P.O. Box CB 10980 Nassau, N.P., The Bahamas
Tel: (242) 327-5970-4; Fax: (242) 327-5907
Web Site: www.bahamas.gov.bs/bia