

## UBS liquidation

1. On 3 November 2014, the Securities Commission wrote a letter to UBS Bahamas explaining the content of the new registration certificates of Securities Firm and Individual Registered under the SIA 2011. A copy of the Securities Commission's letter dated 3 November 2014 is now produced and shown to me marked as 'Exhibit SC'.

The new registration certificates are now available for collection from our offices. To collect the new certificates, firms will be required to return all certificates previously issued to the firm and its registered individuals.

Firms which are unable to locate any previously issued licensed certificates, are required to complete and submit a Notification of Lost Certificate Form for each misplaced certificate. A copy of the form can be found on the Commission's website at: [www.scb.gov.bs](http://www.scb.gov.bs).

Additionally, please be advised that a review of our records reflect that the following mandatory supervisory officer(s) has/have not been identified:

- Representative, Discretionary Management
- Representative, Advising

Where registration has not begun for the categories above, firms must submit the required documentation for registration on or before, **Monday, 17 November 2014**.

***Those two indicated in the email of Gawaine Ward were qualified for an administrative position, but not for assist-execute trades.***

2. On 21 November 2014, the Securities Commission wrote a letter to UBS Bahamas regarding the UBS Bahamas' new registration certificates of Securities Firm and Individual Registered under the SIA 2011. A copy of the Securities Commission's letter dated 21 November 2014 is now produced and shown to me marked as 'Exhibit SL'.

The Commission writes further to our letter dated 3 November 2014 regarding the captioned.

Please be reminded that the new registration certificates are now available for collection from our offices, between the hours of 9am to 4pm.

Additionally, in order to collect the new certificates, firms are required to return all certificates previously issued to the firm and its registered individuals. Firms which are unable to locate any previously issued licensed certificates, are required to complete and submit a Notification of Lost Certificate Form for each misplaced certificate. A copy of the form can be found on the Commission's website at: [www.scb.gov.bs](http://www.scb.gov.bs).

3. On 24 November 2014, the Securities Commission acknowledged that UBS Bahamas "*will be winding down its operations*", i.e., will cease to carry on its securities business in 2014. A copy of the Securities Commission's email sent on 24 November 2014 timed at 5:04 pm is now produced and shown to me marked as 'Exhibit SE'.

Dear Fareda,

Our conversation today and our attached letters refer.

As you have indicated, your Firm will be winding down its operations this year. In this regard, I have advised that while we have printed certificates on behalf of the Firm and its registered representatives, collection of same is not necessary and that we will maintain receipt of the original reprinted certificates.

The significance of providing new certificates: When the company is operative it ought to have its personnel licensed.

UBS personnel were not licensed as broker dealers when in 2013 they executed Starostenkos' trades. (Those licenses are subject of judicial review.)

In 2014 in only 21 days (3-24 November), they changed mind from seeking licenses to winding down.

On March 19, 2015, UBS Bahamas was liquidated by a resolution of Beat Paoletto, a member of UBS AG

In 2015, UBS Bahamas sold to the Government of the Bahamas its headquarters building at 31A East Bay Street, Nassau, New Providence, the Bahamas, for \$22M or about (see SAC Exhibits T5 & T7). The building at 31A East Bay Street in Nassau is currently headquartered by the Securities Commission of the Bahamas the Deputy Chairman of the Board of which is Michael Paton, a partner of Lennox Paton, the UBS' law firm. (see SAC Exhibit SB to this Complaint).

UBS cannot complete liquidation because of Starostenko case.