

**CAYMAN ISLANDS**



# **LOCAL COMPANIES (CONTROL) (AMENDMENT) BILL, 2026**

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**A BILL FOR AN ACT TO AMEND THE LOCAL COMPANIES (CONTROL) ACT (2025 REVISION) TO EMPOWER THE CABINET TO PUT IN PLACE A MORATORIUM ON THE GRANT OF LICENCES GENERALLY OR IN RESPECT OF ANY BUSINESS OF ANY KIND OR TYPE WHERE IT IS IN THE PUBLIC INTEREST TO DO SO; AND FOR INCIDENTAL AND CONNECTED PURPOSES**

## PUBLISHING DETAILS

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**Sponsoring Ministry/Portfolio:** Ministry of Financial Services and Commerce



## Memorandum of OBJECTS AND REASONS

This Bill amends the Local Companies (Control) Act (2025 Revision) (the “principal Act”) to empower the Cabinet to put in place a moratorium on the grant of licences generally or in respect of any business of any kind or type when it is in the public interest to do so. The Bill also provides for incidental and connected purposes.

Clause 1 provides the short title of the legislation and the commencement.

Clause 2 provides for the amendment of section 2 of the principal Act to change the section heading from “Definitions and interpretation” to “Interpretation”.

Clause 3 provides for the insertion of new section 11A in the principal Act. The new provision empowers the Cabinet to implement a moratorium on the grant of licences generally or the grant of licences in respect of any business of any kind or type by Order.

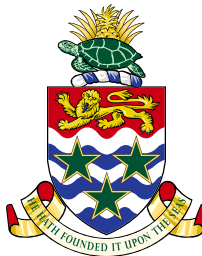
Clause 3 also provides that an Order providing for the implementation of a moratorium shall set out the dates of the commencement and the expiration of the moratorium and the kind or type of business to which the moratorium applies.

Clause 3 provides further that where the Cabinet makes an Order that provides for the implementation of a moratorium, the Board shall not grant the respective licence from the commencement of the moratorium to the expiration of the moratorium. The clause also provides that notwithstanding the power of the Cabinet to exempt any company from the provisions of the Act under section 4(3), an exemption by the Cabinet of a company from the provisions of an Order implementing a moratorium, shall be by way of Order after consultation with the Board.

Clause 4 sets out the transitional provisions to address applications for a licence for which a decision is pending on the day before the implementation of a moratorium by Order. Applications shall be considered by the Board as if the Order implementing the moratorium had not come into force.



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# LOCAL COMPANIES (CONTROL) (AMENDMENT) BILL, 2026

## Arrangement of Clauses

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(AMENDMENT) BILL, 2026**

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ENACTED by the Legislature of the Cayman Islands.

**Short title and commencement**

1. (1) This Act may be cited as the Local Companies (Control) (Amendment) Act, 2026.
- (2) This Act comes into force on such date as may be appointed by Order made by the Cabinet and different dates may be appointed for different provisions of this Act and in relation to different matters.

**Amendment of section 2 of the Local Companies (Control) Act (2025 Revision) - definitions and interpretation**

2. The *Local Companies (Control) Act (2025 Revision)*, in this Act referred to as the “principal Act”, is amended in section 2 by repealing the section heading and substituting the following section heading —

**“Interpretation”.**

**Insertion of section 11A - moratorium on grant of licences**

3. The principal Act is amended by inserting after section 11, the following section —

**“Moratorium on grant of licences**

- 11A.** (1) Notwithstanding sections 10 and 11, the Cabinet, by Order, may implement a moratorium on the grant of licences generally or the grant of licences in respect of any business of any kind or type where it is in the public interest to do so.
- (2) An Order made under subsection (1) shall provide for—
- (a) the dates of the commencement and expiration of the moratorium; and
  - (b) the kind or type of business to which the moratorium applies.
- (3) Where the Cabinet makes an Order under subsection (1), the Board shall not grant the respective licence from the date specified in the Order for the commencement of the moratorium to the date specified in the Order for the expiration of the moratorium.
- (4) Notwithstanding the power of the Cabinet under section 4(3) to exempt any company from the provisions of this Act, an exemption by the Cabinet of companies of any kind or type from the provisions of an Order under subsection (1) shall be by Order after consultation with the Board.”.



