



APPENDICES TO THE REGULATORY HANDBOOK VOLUME 1

JUNE 2025

Contents

STRUCTURE AND ROLES & RESPONSIBILITIES

A1 – Composition & Quorum of the Board of Directors	3
A2 – Composition & Quorum of the Management Committee	4

EXTERNAL RELATIONS

B1 – Dealing with Requests for Assistance from an Overseas Regulatory Authority (ORA)	5
B2 – Criteria of Memorandum of Understanding	8
B3 – Template Format of a Memorandum of Understanding	11

AUTHORISATIONS ISSUED BY THE AUTHORITY PURSUANT TO THE REGULATORY ACTS

Table 1 - Illustrating Authorisations Issued by CIMA	19
--	----

DELEGATED RESPONSIBILITY FOR LICENSING, REGISTRATION AND OTHER SUPERVISORY MATTERS

C1 - Banking	21
C2 – Fiduciary	22
C3 - Insurance	23
C4 - Investments	24
C5 – Securities	25
C6 - Virtual Assets	26

OTHER

D1 – Template Letter of Good Standing	27
---------------------------------------	----

STRUCTURE AND ROLES & RESPONSIBILITIES

A1 – Composition & Quorum of the Board of Directors

Position	Name
Chairman	Mr. Garth MacDonald
Chief Executive Officer (Ex-Officio Member)	Mrs. Cindy Scotland
Deputy Chairman	Mr. Johann Moxam
Director	Mr. Ormond Williams
Director	Mr. Vaughan Carter
Director	Ms. Anna Goubault
Director	Mrs. Sabrina Foster
Director	Mrs. Helen Dombowsky
Director	Mr. Langston R.M. Sibbles
Director (Non-Voting)	Dr. Dax Basdeo

Quorum

At every Board meeting, the quorum of the Board shall consist of no less than five directors¹ and decisions shall be adopted by a simple majority of the directors who are present and entitled to vote, except that, in the case of an equality of votes, the Chairperson shall, in addition, have a casting vote.²

¹ Section 15 (3) of the MAA

² Sections 17(1) (g) and (i) of the PAA

A2 – Composition & Quorum of the Management Committee

The Authority's Board has constituted the composition of the MC as follows:

Voting Members

- the CEO, as Chairperson;
- the Chief Supervision Officer;
- the Chief Operations Officer;
- the Chief Legal Enforcement and AML Officer;
- the Head of the Banking Supervision Division;
- the Head of the Insurance Supervision;
- the Head of the Fiduciary Supervision Division;
- the Head of the Investments Supervision Division
- the Head of the Securities Supervision Division;
- the Head of the Anti-Money Laundering Division;
- the Head of the Financial Stability and Statistics Unit;
- the Head of the Onsite Inspection Unit;
- the Head of the Compliance Division;
- the Head of the VASP & Fintech Innovation Unit;
- the Head of the Policy & Development Division; and
- such other senior officer of the Authority as the CEO may, with the approval of the Board, designate.

Non-voting Members

- A Legal Counsel (in an advisory capacity); and
- Executive Assistant in the CEO's Office- Secretary to the MC.

Quorum

At every MC meeting, the quorum of the MC shall consist of:

- The Chief Executive Officer, as the MC Chairperson (voting member);
- Either the Chief Operations Officer "COO", Chief Supervisions Officer "CSO", or Chief Legal Affairs, Enforcement AML/CFT Officer "Chief LEA Officer"³;
- two (2) Supervisory Heads of Division (voting members);
- one (1) Non-Supervisory Head of Division (voting member); and
- one (1) Legal Counsel from the Legal Division (non-voting member)

Or in their absence, such other member of the MC as designated by the Chief Executive Officer.

³ Previously titled as Deputy Managing Director

EXTERNAL RELATIONS

B1 – Dealing With Requests For Assistance From an Overseas Regulatory Authority (ORA)

Legislative Framework

1. The responsibility of the Cayman Islands Monetary Authority (the “Authority”) to provide assistance to overseas regulatory authorities (“ORA”) arises from the cooperative functions of the Authority under Section 6 (1) (c) of the Monetary Authority Act (as amended) (“the MAA”). The scope of the duty is set out in more detail in Sections 50 (3) to (8) and 51 of the MAA.
2. The Authority will generally assist an ORA in the exercise of its regulatory functions, including the conduct of civil and administrative proceedings to enforce laws, regulations and rules administered by the ORA. It may also consent to the use of information shared for the purposes of the criminal investigation or prosecution of a charge which pertains to the contravention of laws and regulations administered by the ORA or to assist a self-regulatory organisation with surveillance and enforcement activities where it is involved in the supervision of conduct that is the subject of the request.
3. An ORA is defined in Section 2 of the MAA as “an authority which, in a country or territory outside the Islands, exercises functions corresponding to;
 - (a) any of the regulatory functions of the Authority; or
 - (b) any additional functions as may be specified in regulations including the conduct of civil and administrative investigations and proceedings to enforce laws, regulations and rules administered by that Authority”.
4. As no regulations have been enacted to date, only paragraph (a) of the above definition is relevant for the purposes of these procedures.
5. Pursuant to Section 34 (9) of the MAA, where the Authority is satisfied that assistance should be provided to an ORA, the Authority may issue a direction to a person to provide specified information, produce specified documents or give specified assistance.
6. Under Section 51 of the MAA the Authority may, after consultation with the Minister for Financial Services, enter into a Memorandum of Understanding with Overseas Regulatory Authorities. The Minister shall be notified by the Authority of each MOU, and the MOU is to be published promptly in the Gazette. The Authority must act in accordance with the MAA.

Procedures

7. Where a request from an ORA is received by the Authority the following procedures shall apply:
 - (a) The supervisory or other division/department receiving the request, shall forward a copy of the request along with a standard form to the Legal Division which addresses the following matters:
 - i. the name of the requesting authority;
 - ii. the nature of the information or other assistance requested such

- as the description of the facts underlying specific questions to be asked and the sensitivity of the matter;
 - iii. whether the entity or person which is the subject of the request is regulated by the Authority and/or whether the information requested is likely to be found in the Cayman Islands;
 - iv. the information requested serves no other purpose than those directly related to fulfilling a supervisory and/or regulatory function of the Requesting Authority i.e., a valid purpose;
 - v. the information requested serves the purpose of ensuring compliance with Laws and regulations related to the request or Requesting Authority; or
 - vi. the information requested shall not be used for any other purpose than those specified in the request or will not be disclosed without prior consent.
- (b) Upon receipt of a request for assistance, the Legal Division will first determine whether the requesting body falls within the definition of an ORA within the terms of Section 2 of the MAA. In deciding whether assistance should be granted, regard should be given to the matters set out in Section 6(2), (3), and Section 50(4), (8) of the MAA.
- (c) As such, the Legal Division will review all requests for assistance against the criteria set out in Section 50 (4) of the MAA such as whether the inquiries relate to a breach of a legal requirement that has a parallel or involves the assertion of a jurisdiction recognized in the Cayman Islands; and
- i. it is in the public interest to give the assistance sought.
- (d) The Legal Division will also have regard to the provisions of Section 50(8) of the MAA which require that before the requested assistance can be provided-
- i. the Authority must be satisfied that the recipient authority is subject to adequate legal restrictions on further disclosures;
 - ii. an undertaking has been provided by the recipient authority to not disclose information without the prior consent of the Authority;
 - iii. the Authority must be satisfied that the assistance requested is required for the regulatory purposes of the recipient authority;
 - iv. the Authority must be satisfied that information provided will not be used in criminal proceedings against the person providing the information other than for an offence of perjury.
8. The Legal Division will make a record of the request, which will include a file number. All further correspondence relating to a particular request must include a reference to the internal file number to keep track of the requests and make input into the ORA log kept by the Legal Division.
9. The Legal Division will return to the supervisory division a memorandum indicating whether or not the request conforms with the requirements of the MAA and noting particularly whether any further undertakings required by law or other additional information need to be provided by the requesting ORA.
10. The supervisory or other division on receiving a memorandum from the Legal Division shall reply to the ORA with the information requested or where a further undertaking is required by the MAA or additional information is necessary, require

the ORA to provide the undertaking or additional information before any information is provided.

11. The supervisory or other division will endeavour to acknowledge the receipt of the request to the requesting ORA within three (3) business days of receiving the request. With respect to routine requests (e.g., regulator to regulator requests such as confirmations in relation to an Authorised Persons' identity and good standing) the Authority endeavours to complete a request within 30 business days of the receipt of the request subject to receiving all the information and consents required to process the request. In case of a request that is non-routine, the Authority endeavours to complete it within 60 business days where it is practical to do so i.e., where the Authority has received all the information and consents required to process the request, and there are no extraordinary circumstances or technical impediments that prevent completing the response (e.g. outstanding litigations before the court).
12. The supervisory or other division will as a general practice, within 24 hours of responding to a request forward a copy of its response to the Legal Division for the purpose of updating the ORA log with respect to each request.
13. Where the request involves the Authority giving its consent to use or onward disclose the information for the purposes of assisting a criminal investigation or prosecution, the Authority will also ensure that the requirements of Section 50 (3)(c)(iii) have to be met.
14. Where it becomes necessary to share information provided with other local, regional, state, federal or international institutions, the following requirements shall be met by the Authority where it is the "Requesting Authority":
 - (a) notify the Requested Authority promptly;
 - (b) obtain prior explicit consent for onward disclosure (where necessary);
 - (c) prior to passing on information, ensure that the recipient agrees to maintain the confidential status of the information provided and has legal authority to do so; and
 - (d) use all reasonable legal means to protect the confidentiality of the information or to resist an enforceable demand where no consent for onward disclosure has been given.
15. All responses (other than a holding response) shall be processed by the Legal Division. The Legal Division may, however, request another division to respond to a particular request or to carry out related tasks to satisfy a request as the circumstances may require. Copies of any information provided (or an inventory thereof) shall be retained by the division in question.
16. Where the provision of assistance to an ORA requires the Authority to exercise its powers under Section 34 (9) to direct a person to provide specified information, produce specified documents or give specified assistance, the Legal Division must review and sign off on the direction issued by the Authority.
17. For the avoidance of doubt, where the request for assistance is made under an MOU or Multi-lateral MOU, the Legal Division will assess and determine each request on a case-by-case basis and the procedures outlined above will also apply.

B2 – Criteria of Memorandum of Understanding

Criteria for entering into negotiation with a view to entering into a Memorandum of Understanding

1. Rationale for the establishment of criteria

- (a) Whereas a Memorandum of Understanding (MOU) will increase the quality and timeliness of information on licensees' operations overseas, will reduce the cost of obtaining such information and will streamline the administrative processes in Cayman when requests are received, there is nevertheless a need to establish some objective criteria that an Overseas Regulatory Authority (ORA) must meet before the Authority would consider entering into an MOU with it.
- (b) The MOU itself will provide conditions to be met by each party to the Understanding.

2. The Background

- (a) An MOU between regulatory bodies facilitates cross-border co-operation on information exchange, timely access to information and the ability to verify information. All are critical to conduct effective supervision, as well as to engender the international cooperation necessary to enhance financial stability and fight financial fraud. As stated in the KPMG Review of Financial Regulation in the Caribbean Overseas Territories and Bermuda, on page 160; "It is common practice between regulatory authorities for the terms and conditions of information exchange and investigative assistance to be set out in a Memorandum of Understanding signed between the authorities which will be co-operating with each other. Memorandum of Understanding usually require requests for assistance to be framed in terms of the specific activities which are being investigated by the foreign jurisdiction...."
- (b) As stated by the Technical Committee of the International Organisation of Securities Commissions in the preamble to its Principles for Memoranda of Understanding: "MOUs are statements of intent which do not impose legally binding obligations on signatories. As such, they have no power to overcome domestic laws and regulations, nor do they affect other channels of co-operation, such as mutual assistance in criminal matters. The strength of MOUs, however, is that they facilitate the exchange of information by accommodating the differences between regulators and by responding to changing legal environments."

3. Objective criteria to be taken into account

- (a) Nature of the ORA in terms of powers, duties and functions and its reputation in the international financial regulation community, in particular the jurisdiction's membership of and adherence to international standards of relevance. e.g. IOSCO, Basel, IAIS. Also, the impact on the financial industry consequent upon entering into the MOU in that negative publicity may invalidate the benefits of co-operation.
- (b) Nature of the requesting authority's jurisdiction, including whether its legal system provides for similar legal protections to those existing in the Cayman Islands. In particular, whether confidentiality laws are similar to that of the Cayman Islands and whether or not it respects the Rule of Law. Whether domestic secrecy or blocking laws, regulations and policies exist

relating to the collection and provisions of information to foreign authorities. Such matters should be provided for in the MOU itself. The KPMG review also advised that; "Memoranda of Understanding should only provide for the exchange of confidential information when the foreign regulatory authority has demonstrated that they will be able to safeguard the confidentiality of information provided by the OT regulator." (p.160)

- (c) The ORA's laws, regulations and policies on the use of information and due process and enforcement powers should be consistent with that of the Authority.
- (d) A commitment to reciprocity should be made in the MOU itself but in addition, the Authority should be reassured that reciprocal assistance would be given by the ORA. In short, there must be a clear benefit to Cayman in all respects.
- (e) Frequency and nature of requests for assistance received from and served upon the ORA in question. Where there have been numerous requests for assistance in the past then the jurisdiction may be considered for entering into an MOU subject to the other criteria.
- (f) Nature and extent of existing relationship with the ORA and history of co-operation. One or more of the regulatory divisions of the Authority may have had past or on-going dealings with the ORA in question, and this should provide useful information which will be utilised in deciding whether or not an MOU should be entered into with the ORA.
- (g) Consideration should also be given to whether there is a mutual recognition of the equivalency of AML/CFT legislation between the two jurisdictions and if not, why not.

4. Further considerations

- (a) The criteria set out above will often form part of the conditions for the MOU and wherever possible should be provided for in the MOU itself.
- (b) The criteria set out above will be applied by the Authority when considering an ORA with a view to entering into an MOU with that ORA. Once it is concluded that the agreed criteria are satisfied, then the Model MOU, as approved, will be used, subject to such necessary amendments as approved by the Cabinet in accordance with the Approval Process determined by the Cabinet.

5. Multilateral MOUs are MOUs established by regulatory standard-setters (e.g. IOSCO or IAIS) or groups of regulators normally from different countries (although different regulators from the same countries can be parties to a multilateral MOU). In the context of an MMOU the signatories agree that they will be bound by the common standards and obligations covered by the MMOU. When considering whether to recommend that the Authority become a signatory to the MMOU many of the considerations referred to above are applicable (e.g. reciprocity). In addition, the Authority will need to take into account the criteria set out below.

- (a) The MMOU itself should contain appropriate grounds for denial of a request where a request from another signatory authority would require the Authority to act in a manner inconsistent with domestic laws or the public interest.

- (b) The benefits to be gained by the Authority and the jurisdiction should outweigh any negative costs involved in the Authority becoming a signatory to an MMOU.
 - i. One of the benefits to consider would be whether entering into the MMOU would enhance the international reputation of the Authority and the Cayman Islands as a jurisdiction that adheres to appropriate international standards involving international cooperation.
 - ii. One of the costs to consider would be whether there would be an undue strain on the resources of the Authority in meeting the obligations under the MMOU.

- (c) The existing and/or potential signatories should be from jurisdictions that generally respect the rule of law and have broadly equivalent protections for the rights of persons likely to be impacted by the exchange of information under the MMOU.

B3 – Template Format of a Memorandum of Understanding

Memorandum of Understanding

BETWEEN THE

Cayman Islands Monetary Authority (the "Authority")

and the

[]

on the Exchange of Information
for Co-operation and Consultation

[Place]

[Date]

Template TABLE OF CONTENTS

1. DEFINITIONS
2. INTENTION
3. SCOPE
4. UNDERTAKING OF INSPECTION VISITS
5. REQUESTS FOR ASSISTANCE OR INFORMATION
6. EXECUTION OF REQUESTS
7. UNSOLICITED INFORMATION
8. PERMISSIBLE USES OF INFORMATION
9. CONFIDENTIALITY
10. RIGHTS OF REQUESTED AUTHORITY
11. CONSULTATION
12. COSTS OF INVESTIGATION
13. TERMINATION OF MEMORANDUM OF UNDERSTANDING
14. EFFECTIVE DATE

WHEREAS:

- A. The Cayman Islands Monetary Authority (hereinafter the "Authority") and the _____ (hereinafter " ") and together hereinafter referred to as "the Authorities" recognise the need for mutual cooperation between the Authorities in the carrying out of their regulatory and supervisory functions under the relevant laws, regulations and rules in their respective countries.
- B. The Authorities further acknowledge the importance of compliance with relevant international standards established by international standard setting bodies such as the Basel Committee on Banking Supervision, The International Association of Insurance Supervisors (IAIS), the International Organisation of Securities Commissions (IOSCO) and the Financial Action Task Force (FATF).
- C. The arrangements outlined below are intended to enhance the existing working relationship between the Authorities.

1. DEFINITIONS

- (a) **"Requesting Authority"** means the Overseas Regulatory Authority, within the terms of Section 2 of the Monetary Authority Act, making a request under this Memorandum of Understanding.
- (b) **"Requested Authority"** means the Authority to whom a request is made pursuant to paragraph 6 of this Memorandum of Understanding;
- (c) **"Person"** means a natural person, body corporate, partnership, or unincorporated association, government, or political subdivision, agency, or instrumentality of a government;
- (d) **"Financial Institutions"** mean the institutions and persons regulated and supervised by either of the Authorities, and
- (e) **"Jurisdiction"** means the country, state, or other territory, as the case may be, in which either of the Authorities has legal authority, power and/or jurisdiction by law.
- (f) **"Memorandum of Understanding"** means the arrangements for both mutual co-operation and exchange of information between regulatory bodies.
- (g) **"Registered Person"** means any person carrying on banking or other financial business activities requiring registration by either of the Authorities in order to carry out those functions, who may or may not be subject to individual registration but who is subject to the operative legislation within the jurisdiction.

2. INTENTION

- (a) This Memorandum of Understanding sets forth a statement of intent of the Authorities to establish a framework for mutual assistance and to facilitate the exchange of information between the Authorities to enforce or secure compliance with any laws, regulations or rules relating to the functions and duties of the Authorities in their respective jurisdictions.
- (b) The Authorities intend to provide one another with assistance under this Memorandum of Understanding to the full extent permitted by the laws, regulations, and rules of their respective jurisdictions.

- (c) This Memorandum of Understanding will serve to promote the integrity, efficiency, and financial soundness of financial institutions by improving the effective regulation, enhancing the supervision of cross-border transactions, and preventing fraudulent and other prohibited practices in [] and the Cayman Islands.
- (d) This Memorandum of Understanding does not create any binding legal obligations upon the Authorities.
- (e) The Authorities intend, where legal authorisation is lacking, to actively pursue all avenues towards obtaining, by law, all the necessary powers for the effective achievement of the objectives of the Memorandum of Understanding, and to keep each other informed of developments in connection therewith.
- (f) The provisions of this Memorandum of Understanding do not lead to the right of any person, directly or indirectly, to obtain, suppress or exclude any information or to challenge the execution of a request for assistance under this Memorandum of Understanding
- (g) The Authorities will use reasonable effort to provide each other, as permitted by the laws of their respective jurisdictions, with any information that they discover which leads to a suspicion of a breach or anticipated breach of rules or laws in the jurisdictions of the Authorities.

3. SCOPE

- (a) Through the machinery set up by this Memorandum of Understanding, the Authorities agree to promote mutual assistance and exchange of information to enable the Authorities to perform their respective duties and functions effectively according to the laws, regulations, and rules of their respective jurisdictions.
- (b) In terms of this general theme, the scope of this Memorandum of Understanding includes the following:
 - i. Assisting in the discovery of and taking of action against unlawful activities and practices contrary to international standards subscribed to by the Authorities in relation to activities they regulate.
 - ii. Enforcement of the laws, regulations and rules relating to banking or other financial activities subject to regulation by the Authorities in their respective jurisdictions.
 - iii. Regulation and supervision of banks, financial institutions, collective investment schemes and clearing and settlement activities;
 - iv. Promoting and securing the fit and proper qualities of registered persons and the promotion of high standards of fair dealing and integrity of their conduct of business; and
 - v. Assisting in the carrying out of responsibilities for the prevention of and enquiries relating to money laundering under the laws of their respective jurisdictions, including the proper implementation of anti-money laundering procedures by financial institutions.
 - vi. Any matters agreed upon between the Authorities from time to time.

4. UNDERTAKING OF INSPECTION VISITS

- (a) The Requesting Authority may undertake or accompany inspection visits on Financial Institutions having business operations in or from the jurisdiction of the Requested Authority. Inspection visits will take place in accordance with the Requested jurisdiction.

- (b) All members of the inspection team will be required to give an undertaking of confidentiality prior to the commencement of any on-site inspection.
- (c) In the course of carrying out an inspection, an inspection team as referred to in 4(a) and 4(b) shall normally include a member of the Requested Authority's staff.

5. REQUESTS FOR ASSISTANCE OR INFORMATION

- (a) This Memorandum of Understanding does not affect the ability of the Authorities to obtain information from persons on a voluntary basis, provided that the existing Authorities observe procedures in the jurisdiction of each Authority for the obtaining of such information.
- (b) To facilitate communication and ensure continuity in the co-operation between the Authorities, each Authority designates the contact persons for communications under this Memorandum of Understanding.
- (c) A Requesting Authority will make requests for assistance in writing addressed to the contact officer of the Requested Authority.
- (d) The request will include -
 - i. A description of both the subject matter of the request and the purpose for which the Requesting Authority seeks the assistance or information;
 - ii. A description of the assistance, documents or information sought by the Requesting Authority;
 - iii. Any information in the possession of the Requesting Authority that might assist the Requested Authority in identifying the persons, bodies or entities believed by the Requesting Authority to possess the information sought, or the places where the Requested Authority may obtain such information;
 - iv. The legal provisions concerning the matter that is the subject matter of the request and the relevance of the requested information to the specified laws or regulatory requirements;
 - v. Whether any other authorities, governmental or non-governmental, are co-operating with the Requesting Authority or seeking information from the confidential files of the Requesting Authority and to whom onward disclosure of information is likely to be necessary; and the desired period of time for the reply; and
 - vi. In urgent circumstances, the Requested Authority will accept a request for assistance and will expedite to the extent possible a reply thereto by summary procedures or by means of communication other than the exchange of letters. Such urgent communications must be confirmed in writing as prescribed above by the contact person set out in Appendix A within five business days.

6. EXECUTION OF REQUESTS

- (a) Where the Requested Authority is satisfied in accordance with this Memorandum of Understanding and the laws governing the Requesting Authority that the assistance should be given, the Requested Authority will;
 - i. Provide information held in the files of the Requesting Authority;
 - ii. Obtain information, including statements and testimony, and gather documents in accordance with the laws and procedures in the jurisdiction of the Requested Authority.

- (b) Notwithstanding any other provision of this Memorandum of Understanding, any person providing information or documents as a result of a request made under this Memorandum of Understanding will be entitled to all applicable rights and privileges of the laws in the jurisdiction of the Requested Authority. Assertions regarding rights and privileges arising exclusively under the laws applicable in the jurisdiction of the Requesting Authority will be preserved for consideration by Courts in that jurisdiction.
- (c) Each request will be assessed on a case-by-case basis by the Requested Authority to determine whether information can be provided under the terms of this Memorandum of Understanding.

7. UNSOLICITED INFORMATION

- (a) Where one Authority has information that will assist the other Authority in the performance of its regulatory functions, the former may provide such information, or arrange for such information to be provided spontaneously, to the extent permitted by the laws of its respective jurisdiction, even though the other Authority has made no request. The terms and conditions of this Memorandum of Understanding will apply if the providing Authority specifies that it is passing the information under this Memorandum of Understanding.

8. PERMISSIBLE USES OF INFORMATION

- (a) Any assistance or information provided under the terms of this Memorandum of Understanding shall be used by the recipient only to enable the Requested Authority to exercise regulatory functions, including the conduct of civil or administrative investigations and proceedings to enforce the laws, regulations or rules of the Requested Authority as specified in the request.
- (b) The Requesting Authority may not use information furnished for any purpose other than that identified in terms of paragraph 5(d)(i) without the consent of the Requested Authority.
- (c) If the Requesting Authority wants to use the information obtained for any purpose other than that stated in terms of paragraph 5(d)(i), the Requesting Authority must notify the Requested Authority of its intention and provide the Requested Authority with an opportunity to consent to or oppose such use.
- (d) Where the Requesting Authority believes that sharing confidential information with a third party is necessary, it must inform the Requested Authority of the third party's interest in this information, and it must provide the Requested Authority with the opportunity to consent to or oppose such use.
- (e) The Requesting Authority may consult with the Requested Authority concerning the reasons for the objection if the Requested Authority opposes such use.

9. CONFIDENTIALITY

- (a) The Authorities will, to the full extent permitted by the laws, regulations, and rules of their respective jurisdictions, keep confidential: -
 - i. Any request for assistance or information pursuant to this Memorandum of Understanding;
 - ii. Any information received or provided pursuant to this Memorandum of Understanding; and

- iii. Any matter arising during the operation of this Memorandum of Understanding, including consultations and unsolicited assistance.
- (b) The Requesting Authority shall not disclose the assistance or information obtained pursuant to this Memorandum of Understanding to third parties without the prior consent of the Requested Authority.
- (c) Notwithstanding the provisions of paragraphs 9(a) and 9(b), the confidentiality provisions of this Memorandum of Understanding shall not prevent the Authorities from informing the law enforcement or regulatory bodies in its jurisdiction of the request or from passing information received pursuant to a request, provided that:
 - i. Such agencies or bodies have responsibility for prosecuting, regulating, or enforcing rules or laws falling within the scope of this Memorandum of Understanding; or
 - ii. The purpose of passing on such information to such an agency or body falls within the scope of this Memorandum of Understanding; and
 - iii. An undertaking has been obtained from the recipient by the Requested Authority that it will maintain the confidentiality of the information.
- (d) The Authority's confidential treatment of assistance and information will continue when either Authority gives notice of its intent to cease co-operation under this Memorandum of Understanding. The Authorities understand that the laws, regulations, and rules of their respective jurisdictions place limitations on the use and disclosure of non-public information obtained pursuant to this Memorandum of Understanding.

10. RIGHTS OF REQUESTED AUTHORITY

- (a) The Requested Authority may deny requests for assistance under the Memorandum of Understanding -
 - i. Where the request would require the Requested Authority to act in a way that would violate the laws of the jurisdiction of the Requested Authority;
 - ii. Where the request is not in accordance with the provisions of this Memorandum of Understanding;
 - iii. Where corresponding assistance would not be given in the country of or territory of the Requesting Authority;
 - iv. Where the request involves a breach of law or other requirement which has no close parallel in the country or territory of the Requested Authority, or involves the assertion of a jurisdiction not recognised in the country or territory of the Requested Authority; or
 - v. On the grounds of public interest.
- (b) Where the Requested Authority denies a request for assistance, or where assistance is not available under the law of the jurisdiction of the Requested Authority, the Requested Authority will provide the reasons why it is not granting the assistance. The Authorities will then consult pursuant to Clause 11.
- (c) The Authorities recognise that they intend nothing in the Memorandum of Understanding to either limit or enhance the powers of the Authorities under the laws of their respective jurisdictions to investigate or gather information or to take measures otherwise than as provided in the Memorandum of Understanding to obtain information, whether or not concerning a request under the Memorandum of Understanding.

11. CONSULTATION

- (a) The Authorities will consult with each other to improve the operation of the Memorandum of Understanding and resolve any matters that may arise, including but not limited to -
 - i. Matters of mutual interest to enhance co-operation and to protect investors by ensuring the stability, efficiency, and integrity of the financial services industry in their respective jurisdictions,
 - ii. The co-ordination of the supervision of financial institutions; and
 - iii. The administration of the laws, regulations, and rules of their respective jurisdictions.
- (b) The purpose of such consultations is to assist in the development of mutually agreeable approaches for strengthening the financial services industries of their respective jurisdictions whilst avoiding, whenever possible, conflicts that may arise from the application of differing regulatory practices.
- (c) The Authorities will consider the need for additional measures for the exchange of investigation, enforcement, supervisory and surveillance information in the administration and enforcement of the laws, regulations and rules concerning financial institutions in their respective jurisdictions, on an ongoing basis. To this end, the Authorities will inform one another of the adoption of domestic measures that may affect their respective authority to assist with this Memorandum of Understanding.
- (d) The Authorities may take practical measures as may be necessary to facilitate the implementation of the Memorandum of Understanding. As such, the Authorities may amend, relax, or waive any of the terms of the Memorandum of Understanding.

12. COSTS OF INVESTIGATION

- (a) If it appears that the Requested Authority will incur substantial costs in responding to a request for assistance under this Memorandum of Understanding, the Requested Authority may, as a condition to executing the requests, require the Requesting Authority to contribute to its cost in an amount agreed upon by the Authorities.

13. TERMINATION OF THE MEMORANDUM OF UNDERSTANDING

- (a) This Memorandum of Understanding will continue in effect until the expiration of 30 days after either Authority gives written notice to the other Authority of its intention to terminate the Memorandum of Understanding. If either Authority gives such notice, this Memorandum of Understanding will continue to have effect with respect to all requests for assistance that the Authorities made before the effective date of notification until the Requesting Authority terminates the matter for which it requested assistance.

14. EFFECTIVE DATE

- (a) This Memorandum of Understanding will be effective from the date of its signing by the Authorities.

SIGNED at this day of 20xx
FOR AND ON BEHALF OF
THE CAYMAN ISLANDS MONETARY AUTHORITY

AUTHORISATIONS ISSUED BY THE AUTHORITY PURSUANT TO THE REGULATORY ACTS

Table 1 - Illustrating Authorisations Issued by CIMA

Regulatory Acts	Category or Class
Banks and Trust Companies Act	<ul style="list-style-type: none"> • Class "A" banks provide services to domestic and international markets; • Class "B" banks usually provide services to international markets and facilitate inter-bank transactions; • Restricted Class "B" banks; • Controlled subsidiaries. • Trust Companies; • Restricted Trust Companies. • Private Trust Companies – to provide trust services to "connected persons"⁴.
Insurance Act	<ul style="list-style-type: none"> • Class A Insurers – domestic or external insurer to carry on business generally in or from within the Islands, providing insurance business to the "domestic" market; • Class B Insurers – exempted to carry on insurance business other than domestic business from within the Islands. • Class C Insurers – exempted to carry on insurance business involving the provision of reinsurance arrangements. • Class D Insurers – to carry on reinsurance business and such other business as may be approved in respect of any individual licence by the Authority. • Insurance Managers – a company to provide insurance expertise to or for class B insurers or class C insurers. • Insurance Agents⁵ – to solicit domestic business on behalf of not more than one general insurer and one long-term insurer. • Insurance Brokers – to arrange or procure, directly or through representatives, insurance or reinsurance contracts or the continuance of such contracts on behalf of existing or prospective policyholders.
Money Services Act	<ul style="list-style-type: none"> • Money Services Businesses - the business of providing, in or from within the Islands, any of the following services money transmission; cheque cashing; currency exchange; the issuance, sale or redemption of money orders or traveller's cheques; and such other services as the Cabinet may specify by notice published in the Gazette.
Securities Investment Business Act	<ul style="list-style-type: none"> • Market Makers; Broker-dealers; Securities Arrangers; Securities Advisors; Securities Managers – regulated persons⁶ conducting securities investment business.
Mutual Funds Act	<ul style="list-style-type: none"> • Mutual Fund Administrators – to manage (including to control all or substantially all the assets of a fund) or to administer a fund, to provide the principal office of a fund in the Islands or to provide an operator to a fund⁷.

⁴ as defined in Section 2(2) of the Private Trust Companies Regulations (as amended from time to time)

⁵ who is not an insurer

⁶ including registered persons as defined in the SIBA

⁷ but does not include – (a) the provision of a registered office to a mutual fund where the usual corporate secretarial and related services are provided; (b) in relation to a mutual fund, the maintenance of any register

Regulatory Acts	Category or Class
	<ul style="list-style-type: none"> • Mutual Funds – companies, unit trusts or partnerships⁸ that issue equity interests, pooling investor funds to spread investment risks and enabling investors in a mutual fund to receive profits or gains from the acquisition, holding, management or disposal of investments.
Private Funds Act	<ul style="list-style-type: none"> • Private Funds – companies, unit trusts or partnerships⁹ that issue or have issued investment interests, pooling investor funds to spread investment risks and enabling investors in a fund to receive profits or gains from the acquisition, holding, management or disposal of Investments.
Companies Management Act	<ul style="list-style-type: none"> • Company managers – to provide corporate services as listed in Section 3(1) of the Companies Management Act or any other corporate services as may be prescribed under that Section. • Corporate service providers – to provide only the corporate services specified in Section 3(1)(a) through (e) of the Companies Management Act. • Controlled subsidiaries – to provide trust services including the issuing of debt instruments or any other trust business connected with the trust business of its parent that holds a trust licence.
Virtual Assets (Service Providers) Act	<p>Virtual Assets Service Providers, including Issuers, Custodians, and Trading Platforms – where virtual assets are defined as a means of digital representation of value that can be digitally traded or transferred and can be used for payment or investment purposes, but does not include a digital representation of fiat currencies¹⁰.</p>
Directors Registration and Licensing Act	<p>The Act sets out criteria and the process an individual must go through when applying to become a director of an entity. It lists the types of directors, the associated fees and the expectations set out by the Authority.</p>
Cooperative Societies Act	<p>Credit Unions (subject to registration with the Registrar of Cooperative Societies of the General Registry Department of the Cayman Islands Government).</p>
Building Societies Act	<p>Building Societies (subject to their incorporation incorporated by the Registrar of Companies (General Registry Department of the Cayman Islands Government).</p>
Development Bank Act	<p>The Cayman Islands Development Bank is the only development Bank established in the Cayman Islands in accordance with the Development Bank Act.</p>

of equity interests or the filing and payment of fees under the Companies Act (as amended from time to time), the Partnership Act (as amended from time to time), the Exempted Limited Partnership Act (as amended from time to time), the Limited Liability Companies Act (as amended from time to time), the Limited Liability Partnership Act (as amended from time to time), the Trusts Act (as amended from time to time) or this Act; or (c) the activities of a general partner of a partnership which is a mutual fund.

⁸ but does not include a person licensed under the Banks and Trust Companies Act (2021 Revision) or the Insurance Act, 2010, or a person registered under the Building Societies Act (2020 Revision) or the Friendly Societies Act (1998 Revision);

⁹ but does not include a person licensed under the Banks and Trust Companies Act (2021 Revision) or the Insurance Act, 2010, or a person registered under the Building Societies Act (2020 Revision) or the Friendly Societies Act (1998 Revision);

¹⁰ Definitions of licensed activities are set out in Section 2 of the Virtual Asset (Service Providers) Act

DELEGATED RESPONSIBILITY FOR LICENSING, REGISTRATION AND OTHER SUPERVISORY MATTERS

C1 - Banking

Type of Approval	Responsibility
New Licence Applications (Category "A" Licensees)	MC
New Licence Applications (Category "B" Licensees)	MC
New Licence Applications (Money Services Business)	MC
Approval for change in ultimate beneficial ownership (controlling interest)	MC
Approval of an Auditor to audit licensed banks	Division
Approval for Issue, Transfer, Disposal of shares (no change in control)	Division
Approval for Surrender of Licence	Division
Approval for Change of Name	Division
Approval for change of financial year end	Division
Approval to open a subsidiary, branch, agency, or representative office (for licensed activities only)	Division
Approval of Change of Auditors (Banks & Trust Companies Act)	Division
Extension of Filing of Regulatory Reports (e.g. QPR Form, Financial Statements)	Division
Amendments to the Business Plan	Division
Approval for use of the word "Bank" and its derivatives	Division
Approval for Change of Principal Office &/or Authorised Agent (Banks & Trust Companies Act)	Division
Director/Senior Officer Approval	Division
Amendments to ownership structure (no change in beneficial ownership)	Division
Approval for exceeding exposure limit of Rule 5.8 of the Rule on Large Exposures	Division
Approval for Section 16(2) BTCA Exemption	Division
Approval for Section 7(1) BTCA Exemption	Division

C2 - Fiduciary

Type of Approval	Responsibility
New Licence Application - Unrestricted Trust	MC
New Licence Application - Company Management Licence	MC
New Licence Application - Corporate Licence	MC
New Licence Application - Restricted Trust Licence	MC
New Licence Application - Nominee Licence	MC
Approval for change in ultimate beneficial ownership (controlling interest)	MC
Approval for Issue, Transfer, Disposal of shares- (no change in control)	Division
Approval for Surrender of Licence	Division
Approval for Change of Name	Division
Approval for change of financial year end	Division
Approval of Change of Auditors (Companies Management Act)	Division
Extension of Filing of Regulatory Reports (e.g. Biannual Form, Financial Statements)	Division
Approval of "authorised insurer" (Companies Management Act)	Division
Approval of "authorised/recognised custodian"	Division
Amendments to the Business Plan	Division
Approval for use of the word "Trust"	Division
Approval for Change of Principal Office & Authorised Agent (Banks and Trust Companies Act)	Division
Approval of Agent Pursuant to the Banks & Trust Companies Act	Division
Approval of a branch, subsidiary, agency, or representative office	Division
Registration of Controlled Subsidiaries or Private Trust Companies	Division
Cancellation of Registration of Controlled Subsidiaries or Private Trust Companies	Division
Director/Senior Officer Approval	Division
Amendments to ownership structure (no change in beneficial ownership)	Division

C3 - Insurance

Type of Approval	Responsibility
New Licence Application - Class A	MC
New Licence Application - Class B (sub-categories B(I) and B(ii))	MC
New Licence Application - Class B (sub-categories B(iii) and B(iv))	MC
New Licence Application - Class C	MC
New Licence Application - Class D	MC
New Licence Application - Insurance Manager	MC
New Licence Application – Agent	MC
New Licence Application – Broker	MC
Approval for change in ultimate beneficial ownership (controlling interest)	MC
Approval for change in ultimate beneficial ownership (controlling interest) – Class B group captives	Division
Approval for registration of a Portfolio Insurance Company	Division
Approval to add a Segregated Portfolio to an SPC	Division
Approval for Issue, Transfer, Disposal of shares (no change in control)	Division
Amendments to ownership structure (no change in beneficial ownership)	Division
New Licence Application - Class C (non-complex Catastrophe Bond vehicles)	Division
Approval to accept remedial action plan presented by licensees when capital falls below PCR	Division
Approval for Surrender of Licence	Division
Approval for Change of Name	Division
Approval for change of financial year end	Division
Approval to open a subsidiary, branch, agency, or representative office (for licensed activities only) – Class A	Division
Approval of Change of Auditors (Insurance Act)	Division
Approval for use of the word 'Insurance'	Division
Extension of Filing of Regulatory Reports	Division
Amendments to the Business Plan	Division
Director/Senior Officer Approval	Division

C4 - Investments

Type of Approval	Responsibility
New Mutual Fund Administrators Licence Application	MC
New Auditors Application-	MC
New Restricted Mutual Fund Administrators Licence Application	MC
Approval for change in ultimate beneficial ownership (controlling interest)	MC
Approval for Revocation of MFA Licence on voluntary surrender by licensee (MFL 30 (12))	MC
Cancellation of Registration/License of Mutual Fund (failing to comply with MFL Section 8 and/or 9) (Note 2)	MC
New Application – Japanese Regulations	Division
Director/Senior Officer Approval (MFA, SIBL & Section 5 Funds)	Division
New Mutual Fund Registration (Section 4(3) & 4(1)(b))	Division
New Mutual Fund Licence Application (Section 5)	Division
Voluntary Surrender of Registration and Deregistration of Mutual Fund (Section 4(3), 4(1)(b) & 5)	Division
Extension to Filing of Regulatory Reports (RF-1, Financials)	Division
Approval for Change of Name - Fund	Division
Issuance of new certificate for Change of Name - MFA	Division
Amendments to the Business Plan	Division
Approval for change of financial year end	Division
Approval of Change of Auditors	Division
Approval and Cancellation of the registration of private funds.	Division

C5 - Securities

Type of Approval	Responsibility
New Application – Securities Investment Business Licence	MC
Approval for Revocation of SIB Licence on voluntary surrender by licensee	MC
Approval for change for over 10% shareholding	MC
Approval and cancellation of Registered Persons (SIBA)	Division
Approval for change of financial year end	Division
Approval of Change of Auditors	Division
Approval for Issue, Transfer, Disposal of shares (no change in control)	Division
Approval for Surrender of Licence	Division
Approval for Surrender of RP Registration	Division
Approval for Change of Name	Division
Amendments to the Business Plan	Division
Approval for change in ultimate beneficial ownership (controlling interest)	Division
Amendments to ownership structure (no change in beneficial ownership)	Division
Approval for Change in Registered Office/Service Provider	Division
Approval for change in shareholding	Division
Approval of Directors	Division
Approval for establishing or opening subsidiaries and branches	Division
Approval for extension for filing regulatory reports	Division

C6 - Virtual Assets

Type of Approval	Responsibility
Approval or cancellation of the registration of a VASP	MC/Division
Approval or cancellation of the license of a VASP	MC/Division
Approval for virtual asset issuance	MC/Division
Director/Senior Officer Approval (including changes)	Division
Issuance of conditions for licensing in accordance with the regulatory law	Division
Approval of Auditors	Division
Approval for change of Auditors	Division
Approval for change in shareholding greater than 10%	Division

OTHER

D1 – Template Letter of Good Standing

Mr., Mrs., Ms. XXXXX
Manager - Credit Department
YYYYYYYYYYYYYYYY
P.O. Box GT
Grand Cayman

Dear _____,

YYY Company

The YYY is the holder of a <enter type> Licence effective <enter date of licence commencement> and issued under the <state law licence issued under> pertaining at that time.

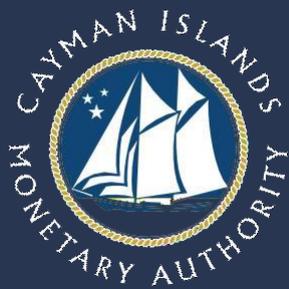
At the date of writing, the Company is up to date with its filings to the Cayman Islands Monetary Authority.

Yours faithfully,

XX
Head of XX Division

Note: For consistency purposes, when issuing Letter of Good Standing for XXX licensees, the letter should reference the appropriate law in accordance with the following: -

1. Licences issued prior to 1989:
"... issued (date) under The Banks and Trust Companies Regulation Law (Revised)".
 2. Licences issued between 1989 and 1995:
"...issued (date) under The Banks and Trust Companies Law, 1989".
 3. Licences issued between 1995 and 2000:
"...issued (date) under The Banks and Trust Companies Law, (1995 Revision)".
 4. Licences issued between 2000 and 2001:
"...issued (date) under The Banks and Trust Companies Law (2000 Second Revision)".
 5. Licences issued after 2001, and 17th March 2003:
"...issued (date) under The Banks and Trust Companies Law (2001 Revision)".
 6. Licences issued after 17th March 2003:
"...issued (date) under The Banks and Trust Companies Law (2003 Revision)".
-



REGULATORY HANDBOOK – Volume 1, Appendices

June 2025



Cricket Square
PO Box 10052
Grand Cayman KY1-1001 Cayman Islands



Tel: +1 (345) 949-7089



www.cima.ky