

CAYMAN ISLANDS



Supplement No. 3 published with Extraordinary
Gazette No. 77 dated 25th September, 2013.

**A BILL FOR A LAW TO VALIDATE THE CHARGING AND
COLLECTION OF SEGREGATED PORTFOLIO FEES AND OTHER
FEES, DURING SPECIFIED PERIODS; AND TO MAKE PROVISION
FOR INCIDENTAL AND CONNECTED MATTERS**

THE INSURANCE (VALIDATION) BILL, 2013

MEMORANDUM OF OBJECTS AND REASONS

The Insurance Law (2008 Revision) contained the authority for charging miscellaneous fees, including the segregated portfolio fee.

That Law was repealed and replaced by the Insurance Law, 2010, with effect from 1st November, 2012, and the fees were set out in the Insurance (Applications and Fees) Regulations, 2012. The segregated portfolio fee was, however, inadvertently omitted from those Regulations.

Notwithstanding that omission, the collection of the segregated portfolio fee continued from 1st November, 2012 to 2nd July, 2013. Clause 2(1) of the Bill seeks to validate any unauthorised collection of segregated portfolio fees during that period.

The Insurance (Applications and Fees) Regulations, 2012 came into force on 28th November, 2012. There was therefore a period (from 1st November, 2012 to 28th November, 2012) during which there was no legal authority for the collection of various fees. Clause 2(2) of the Bill seeks to validate any unauthorised collection of those fees during that period.

CAYMAN ISLANDS

**A BILL FOR A LAW TO VALIDATE THE CHARGING AND
COLLECTION OF SEGREGATED PORTFOLIO FEES AND OTHER
FEES, DURING SPECIFIED PERIODS; AND TO MAKE PROVISION
FOR INCIDENTAL AND CONNECTED MATTERS**

ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Insurance (Validation) Law, 2013. Short title

2. (1) The charging and collection of fees in respect of a segregated portfolio, from 1st November, 2012 to 2nd July, 2013, in purported exercise of powers conferred by the Insurance Law, 2010 or regulations made thereunder, is validated and is to be taken to have been lawfully charged and collected. Validation

(2) The charging and collection of any fees other than fees in respect of a segregated portfolio, from 1st November, 2012 to 28th November, 2012, in purported exercise of powers conferred by the Insurance (Applications and Fees) Regulations, 2012, is validated and is to be taken to have been lawfully charged and collected.

- (3) This Law does not affect any order or determination made by a court prior to the commencement of this Law.

Passed by the Legislative Assembly the _____ day of _____, 2013.

Speaker.

Clerk of the Legislative Assembly.