

CAYMAN ISLANDS



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**A BILL FOR A LAW TO AMEND THE MUTUAL FUNDS LAW (2013
REVISION) TO REPEAL THE PROVISIONS RELATING TO NON-
RESIDENT MUTUAL FUND ADMINISTRATORS; AND TO PROVIDE
FOR INCIDENTAL AND CONNECTED PURPOSES**

THE MUTUAL FUNDS (AMENDMENT) BILL, 2014

MEMORANDUM OF OBJECTS AND REASONS

This Bill seeks to amend the Mutual Funds Law (2013 Revision) to repeal the provisions relating to non-resident mutual fund administrators.

Clause 1 of the Bill sets out the short title of the legislation.

Clause 2 amends section 2 of the principal Law to delete the term “non-resident mutual fund administrator”. The term is not utilized in the principal Law except in section 18A.

Clause 3 provides for the repeal of section 18A. The section provides that a non-resident mutual fund administrator is required to file an annual declaration with the Monetary Authority, and pay the prescribed fee to the Authority on or before 31st January of each year. It has been found that the collection of this fee is not feasible in the Cayman Islands.

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ENACTED by the Legislature of the Cayman Islands.

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| 1. | This Law may be cited as the Mutual Funds (Amendment) Law, 2014. | Short title |
| 2. | The Mutual Funds Law (2013 Revision) is amended in section 2 by deleting the definition of the words “non-resident mutual fund administrator”. | Amendment of section 2 of the Mutual Funds Law (2013 Revision) - definitions |
| 3. | The Mutual Funds Law (2013 Revision) is amended by repealing section 18A. | Repeal of section 18A of the Mutual Funds Law (2013 Revision) - non-resident mutual fund administrator obligations |

Passed by the Legislative Assembly the day of , 2014.

Speaker.

Clerk of the Legislative Assembly.