

CAYMAN ISLANDS



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**A BILL FOR A LAW TO AMEND THE COMPANIES MANAGEMENT  
LAW (2003 REVISION) AS A CONSEQUENCE OF AMENDMENTS  
MADE BY THE COMPANIES (AMENDMENT) LAW, 2016 AND THE  
LIMITED LIABILITY COMPANIES (AMENDMENT) LAW, 2016**

**THE COMPANIES MANAGEMENT (AMENDMENT) BILL, 2016**

**MEMORANDUM OF OBJECTS AND REASONS**

This Bill seeks to amend the Companies Management Law (2003 Revision), hereinafter referred to as the “principal Law”, to add a new corporate service to the business of company management, as defined under that Law, namely - establishing and maintaining beneficial ownership registers on behalf of a company or limited liability company incorporated or formed in the Islands and making such registers searchable by the competent authority established by the Companies (Amendment) Law, 2016. The Bill would give powers to the Cayman Islands Monetary Authority to revoke licences or impose other licensing sanctions for contravention of the Companies (Amendment) Law, 2016 or the Limited Liability Companies (Amendment) Law, 2016. The Bill would also empower the Authority to seek an order from a magistrate or a judge of the Grand Court to search premises to ascertain whether there has been a contravention of the above Laws.

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

Clause 2 amends the definition of “business of company management” in section 3 of the principal Law to add the service of establishing and maintaining beneficial ownership registers on behalf of a company or a limited liability company incorporated or formed in the Islands and making such registers searchable by the competent authority established under the Companies (Amendment) Law, 2016. The clause amends section 18 of the principal Law to give the power to the Cayman Islands Monetary Authority to revoke licences or impose other licensing sanctions for contraventions of Companies (Amendment) Law, 2016 or the Limited Liability Companies (Amendment) Law, 2016. The clause also amends section 19(2) of the principal Law to add another purpose for which the Authority may seek a search warrant from a magistrate or a judge of the Grand Court, namely - to ascertain whether there has been a contravention of Part the above Laws.

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ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as The Companies Management (Amendment) Law, 2016 and shall come into force immediately after the coming into force of The Companies (Amendment) Law, 2016. Short title and commencement
  
2. The Companies Management Law (2003 Revision) is amended - Consequential amendment of Companies Management Law (2003 Revision)
  - (a) in section 3 by inserting after paragraph (b) in the definition of “business of company management” the following - (2016 Revision)
    - “(ba) establishing and maintaining beneficial ownership registers on behalf of a companies and limited liability companies incorporated or formed in the Islands and offering an information technology solution to those companies to make the register searchable by the competent authority established under Part XVIIA of the Companies Law (2016 Revision);”;
  - (b) in section 18(1)(c) by inserting after the word “Law” the words “, Part XVIIA of the Companies Law (2016 Revision) or Part 12 of the Limited Liability Companies Law, 2016”; and (Law 2 of 2016)

*The Companies Management (Amendment) Bill, 2016*

- (c) in sections 19(2)(a) and (b) by inserting after the word “Law” the words “, Part XVIIIA of the Companies Law (2016 Revision) or Part 12 of the Limited Liability Companies Law, 2016”.

Passed by the Legislative Assembly the      day of                      , 2017.

Speaker.

Clerk of the Legislative Assembly.