

CAYMAN ISLANDS



TRADE AND BUSINESS LICENSING (AMENDMENT) BILL, 2019

Supplement No. 1 published with Legislation Gazette No. 17 dated 28th May, 2019.

A BILL FOR A LAW TO TO AMEND THE TRADE AND BUSINESS LICENSING LAW (2019 REVISION) TO PROVIDE FOR NEW REQUIREMENTS IN RESPECT OF AN APPLICANT WHO IS A DNFBP OR WHO INTENDS TO CARRY ON DNFBP BUSINESS; TO PROVIDE FOR THE BOARD TO SUSPEND OR REVOKE A LICENCE WHERE IT RECEIVES A NOTICE FROM A SUPERVISORY AUTHORITY; TO CREATE THE NEW LICENCE CATEGORIES OF PROPERTY INVESTOR AND DEALER IN PRECIOUS METALS AND STONES; AND FOR INCIDENTAL AND CONNECTED PURPOSES

PUBLISHING DETAILS

Sponsoring Ministry/Portfolio: Ministry of Commerce, Planning and Infrastructure
(CPI)



**Memorandum of
OBJECTS AND REASONS**

This Bill seeks to amend the Trade and Business Licensing Law (2019 Revision) (the “principal Law”) to provide that an applicant for a licence, or renewal of a licence, who is a DNFBP or who intends to carry out business as a DNFBP must produce evidence of registration with the relevant Supervisory Authority as a condition for the grant or renewal of a licence. It also provides for the suspension or revocation of a licence where the Board receives a notice from a Supervisory Authority pursuant to regulation 55J of the Anti-Money Laundering Regulations (2018 Revision). The Bill also introduces the new licence categories of property investor and dealers in precious metals and stones.

Clause 1 of the Bill provides the short title of the legislation.

Clause 2 of the Bill amends section 2 of the principal Law to provide for the definitions of DNFBP, property investment and Supervisory Authority.

Clause 3 of the Bill amends section 3 of the principal Law to provide that a person who buys or sells no more than two parcels of land within a twelve month period will not need a licence under the Law.

Clause 4 of the Bill amends section 18 of the principal Law and provides that an applicant for licence or renewal of a licence, who is a DNFBP or intends to carry out DNFBP business, must provide evidence with its application that it has registered with the relevant Supervisory Authority. Clause 4 also amends section 18 of the principal Law for the fit and proper test to apply to an applicant.

Clause 5 of the Bill amends section 19 of the Law and provides that the grant or renewal of a licence can be restricted where an applicant is a DNFBP and is not registered or has its registration cancelled by the relevant Supervisory Authority.

Clause 6 of the Bill amends section 29 of the principal Law and provides that the Board shall suspend or revoke a licence where it receives a notice pursuant to 55J Anti-Money Laundering Regulations (2018 Revision) from a Supervisory Authority.

Clause 7 of the Bill amends Schedule 1 Part B of the principal Law and provides for the new licence categories of property investor and dealer in precious metals and stones.

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(AMENDMENT) BILL, 2019**

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ENACTED by the Legislature of the Cayman Islands.

Short title

1. This Law may be cited as the *Trade and Business Licensing (Amendment) Law, 2019*.

Amendment of section 2 of the Trade and Business Licensing Law (2019 Revision) - interpretation

2. The *Trade and Business Licensing Law (2019 Revision)*, in this Law referred to as the “principal Law”, is amended in section 2 by inserting in the appropriate alphabetical sequence, the following definitions —

“



“ **DNFBP**” has the meaning given in section 2(1) of the *Anti-Money Laundering Regulations (2018 Revision)*;

“**property investment**” means the business of dealing in land including the sale, purchase of land or interests in land; and

“**Supervisory Authority**” has the meaning given in section 2(1) of the *Anti-Money Laundering Regulations (2018 Revision)*; ”.

Amendment of section 3 of of the principal Law - application

3. The principal Law is amended in section 3 as follows —

- (a) in paragraph (d) by deleting the word “or”;
- (b) in paragraph (e) by deleting the full stop and substituting the words “; or”; and
- (c) by inserting after paragraph (e) the following paragraph —
 - “(f) a person —
 - (i) being the owner of land, who sells no more than two parcels of land; or
 - (ii) who purchases no more than two parcels of land, not including the residence of that person, in a twelve month period.”.

Amendment of section 18 of the principal Law - application for grant or renewal of a licence

4. The principal Law is amended in section 18 as follows —

- (a) in subsection (2) by inserting after paragraph (d) the following paragraph —
 - “(da)if applicable, evidence of the registration with the relevant Supervisory Authority where the applicant is a DNFBP or intends to carry out business as a DNFBP;” ; and
- (b) in subsection (6) by inserting after the word “procedures” the words “, including a fit and proper test,”.

Amendment of section 19 of the principal Law - restriction on grant or renewal of a licence

5. The principal Law is amended in section 19 as follows —

- (a) in subsection (1)(a) —
 - (i) in subparagraph (v) by deleting the full stop and substituting the words “; or”; and
 - (ii) by inserting after subparagraph (v) the following subparagraph —



- “(vi) is a DNFBP or intends to carry on business as a DNFBP and —
- (A) is not registered with; or
- (B) has had its registration cancelled by, the relevant Supervisory Authority;”;
- (b) in subsection (1A)(b) by deleting the words “and labour relations” and substituting the words “, labour relations, anti-money laundering and counter terrorist and proliferation financing”.

Amendment of section 29 of the principal Law - suspension or revocation of licence

6. The principal Law is amended in section 29 by inserting after subsection (1) the following subsection —
- “(1A) The Board shall, where the licensee is a DNFBP or carrying out business as a DNFBP, upon receipt of a notice pursuant to regulation 55J of the *Anti-Money Laundering Regulations (2018 Revision)* suspend or revoke a licence.”.

Amendment of Schedule 1 Part B of the principal Law - Fees

7. The principal Law is amended in Part B of Schedule 1 —
- (a) under the heading “Professional - Category of Trade and Business” by inserting after item 9 the following item —
- | | |
|------------------------|--|
| “9A. Property investor | being a person engaged in the business of \$750 dealing in land including the sale or purchase of land or interest in land”; and |
|------------------------|--|

(b) under the heading “Trades and Technical - Category of Trade and Business” by inserting after item 17 the following item —

<p>“17A. Dealer in Precious Metals and Stones</p>	<p>being a person who buys or sells precious metals, precious stones or jewellery, in the course of its business activities —</p> <p>for a business with 800 square feet or less of selling area — \$200</p> <p>for a business with 801-1200 square feet of selling area — \$450</p> <p>for a business with 1201-1500 square feet of selling area — \$1200</p> <p>for a business with 1501-2000 square feet of selling area — \$2000</p> <p>for a business with 2001-4000 square feet of selling area — \$3000</p> <p>for a business with more than 4000 square feet of selling area — \$4000”.</p>
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Passed by the Legislative Assembly the day of , 2019

Speaker

Clerk of the Legislative Assembly

