

**CAYMAN ISLANDS**



# **MUTUAL FUNDS (AMENDMENT) (NO. 2) BILL, 2020**

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**A BILL FOR A LAW TO AMEND THE MUTUAL FUNDS LAW (2020 REVISION) TO  
AMEND THE DEFINITIONS OF CERTAIN EXPRESSIONS USED IN THE LAW; AND FOR  
INCIDENTAL AND CONNECTED PURPOSES**

## PUBLISHING DETAILS

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**Sponsoring Ministry/Portfolio:** Ministry of Financial Services and Home Affairs (FSHA)



**Memorandum of  
OBJECTS AND REASONS**

The Bill would amend the Mutual Funds Law (2020 Revision) to amend the definitions of certain expressions used in the Law and to provide for incidental and connected purposes.

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

Clause 2 seeks to amend section 2 of the Mutual Funds Law (2020 Revision) to expand the definition of “equity interest” to include any other representation of an interest that carries an entitlement to participate in the profits of gains of the company. Clause 2 also provides the definition of “stock exchange” which would include the “recognised securities exchange” under the Securities Investment Business Law (2020 Revision).



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**A BILL FOR A LAW TO AMEND THE MUTUAL FUNDS LAW (2020 REVISION) TO AMEND THE DEFINITIONS OF CERTAIN EXPRESSIONS USED IN THE LAW; AND FOR INCIDENTAL AND CONNECTED PURPOSES**

ENACTED by the Legislature of the Cayman Islands.

**Short title and commencement**

1. (1) This Law may be cited as the Mutual Funds (Amendment) (No.2) Law, 2020.
- (2) This Law shall come into force on such date as may be appointed by Order made by the Cabinet.

**Amendment of section 2 of the Mutual Funds Law (2020 Revision) - definitions**

2. Section 2 of the *Mutual Funds Law (2020 Revision)* is amended —
  - (a) in the definition of the words “**equity interest**”, by deleting the words “or partnership interest” and substituting the words “, partnership interest or any other representation of an interest”; and
  - (b) by inserting in the appropriate alphabetical sequence, the following definitions —

**“recognised securities exchange”** has the meaning assigned in section 2 of the *Securities Investment Business Law (2020 Revision)*”; and

**“stock exchange”** includes recognised securities exchange;”.

**Passed in the Legislative Assembly the                      day of                      , 2020.**

*Speaker*

*Clerk of the Legislative Assembly*

