

CAYMAN ISLANDS



Supplement No. published with Gazette No.
dated , 2010.

**A BILL FOR A LAW TO AMEND THE COMPANIES LAW (2010
REVISION) TO PROVIDE A MINIMUM PERIOD FOR THE
RETENTION OF BOOKS OF ACCOUNT; AND FOR INCIDENTAL
AND CONNECTED PURPOSES**

THE COMPANIES (AMENDMENT) BILL, 2010

MEMORANDUM OF OBJECTS AND REASONS

This Bill seeks to amend the Companies Law (2010 Revision) to provide a minimum period for the retention of books of account.

Clause 1 provides the short title.

Clause 2 amends section 59 of the Law by providing for all books of account including, where applicable, material underlying documentation including contracts and invoices to be retained for a minimum period of five years after they are prepared. A penalty is imposed where a company contravenes these requirements.

CAYMAN ISLANDS

A BILL FOR A LAW TO AMEND THE COMPANIES LAW (2010 REVISION) TO PROVIDE A MINIMUM PERIOD FOR THE RETENTION OF BOOKS OF ACCOUNT; AND FOR INCIDENTAL AND CONNECTED PURPOSES

ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Companies (Amendment) Law, 2010. Short title

2. The Companies Law (2010 Revision) is amended in section 59 - Amendment of section 59 of the Companies Law (2010 Revision) - accounts and audits
 - (a) in subsection (1), by inserting after the words “Every company shall cause to be kept proper books of account” the words “including, where applicable, material underlying documentation including contracts and invoices”; and

 - (b) by inserting after subsection (2) the following subsections -
 - “ (3) A company shall cause all books of account required to be kept under subsection (1) to be retained for a minimum period of five years from the date on which they are prepared.

 - (4) A company that knowingly and wilfully contravenes subsection (1) or (3) shall be subject to a penalty of five thousand dollars.”.

Passed by the Legislative Assembly the day of , 2010.

Speaker.

Clerk of the Legislative Assembly.