



# the NAVIGATOR

July 2015

## Cayman's Financial Services in Focus

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Ms. Lise Baril, Senior Manager, Deloitte, addressing Leadership Cayman participants, as panellists -- Mr. Jude Scott, Mrs. Cindy Scotland and Minister Wayne Panton -- look on.

The Financial Services Sector in the Cayman Islands was the focus when Leadership Cayman held a seminar on 13 May.

Senior representatives of the private sector, the regulator and the Government were on hand to shed light on the subject for the 25 business and government leaders who are participating in the programme this year.

CIMA's Managing Director, Mrs. Cindy Scotland, joined Financial Services Minister, the Hon. Wayne Panton, and CEO of Cayman Finance, Jude Scott, for the discussion.

The Leadership Cayman programme was launched by the Cayman Islands Chamber of Commerce in 2010, to promote and enhance community leadership through an in-depth introduction to social, economic, business and political issues in Cayman.

At the seminar, the invited speakers gave brief presentations, and then participated in small-group discussions on the subject.



## Leadership Cayman Participants Tour the Authority



As part of this year's agenda, CIMA recently opened its doors to participants who toured several divisions and got a better understanding of the Authority's role and functions and how it operates.

Over a six-month period, participants are exposed to topics ranging from business, government, education, media, criminal justice issues throughout the Cayman Islands.

Each year, Leadership Cayman participants have the opportunity to interact with high-level community leaders and decision-makers.

The objective is to enhance their personal leadership skills, nourish their community spirit and provide an understanding of issues facing the community.

### Facts Box

#### Licence/Registration Numbers

Licences/Registrations in Effect

31 March 2015

30 June 2015

#### Banking and Trust

Banks

195

196

Category A

12

12

Category B

183

184

Nominee Trusts

28

29

Money Services Providers

6

6

### CIMA Hosts Health Fair for Staff

The Authority's staff received complimentary health screenings on 8 May during CIMA's Health Fair, which was organised by the CIMA Wellness Team. Staff were able to attend the Fair between 10:00 a.m. to 3:00 p.m.

Health-related organisations were allotted space to set up booths in the CIMA Learning Centre, to interact with staff and provide information about the services they provide. The organisations represented include: Aetna, CIMA's staff health insurance provider; Jackson International, which is part of the

Jackson Memorial Hospital and provides International Outpatient services; Pasadora Family Dental Centre; and Body Works. The Pasadora Family Dental Centre conducted screenings for oral cancer, using the latest technology, in addition to visual inspections. Ophthalmologist, Dr. Krishna Mani provided staff with free vision screenings.

Staff were also offered a free message from Body Works and were treated to a Zumba dance exercise session, lead by Zumba Instructor, Kevin Creary.



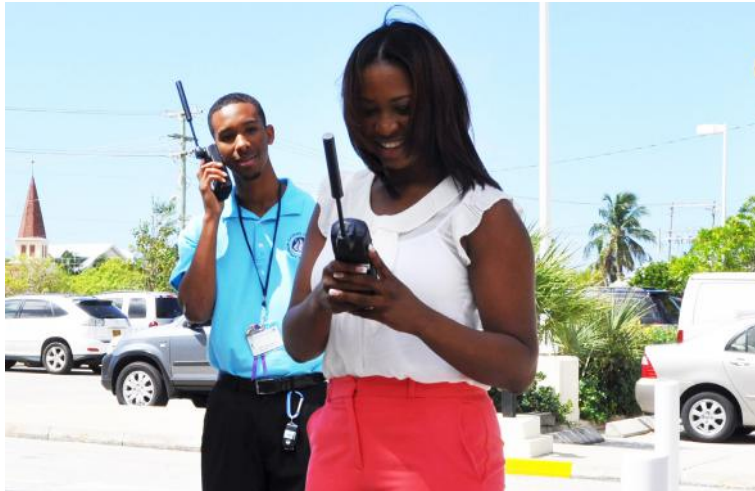
## CIMA Seeks to Ensure Business Continuity

As the primary regulator of the financial services industry in the Cayman Islands, CIMA has a responsibility to put all practical measures in place to ensure that it can continue to function in the event of a disaster.

Each year, the Authority conducts a disaster recovery and business continuity exercise in order to test these systems. On 29 May, staff from

the various divisions went to a remote location at the Deloitte Disaster Recovery Centre at Citrus Grove to test the computer-based systems which they use on a day-to-day basis.

The satellite phones which are assigned to members of CIMA's disaster management team were also tested to ensure that they function to provide telecommunications access.



## Authority To Host GIICS Training Course

From October 22-28 2015, the Authority will be hosting training facilitated by the Group of International Insurance Centre Supervisors (GIICS).

It is envisaged that this training will cover industry trends and developments, financial crime, risk-based supervision, solvency and catastrophe risk.

CIMA is taking advantage of the Technical Assistance services being offered by the Caribbean Regional Technical Assistance Centre (CARTAC), which has sourced a very knowledgeable Basel II Expert.

The aim of this assistance is to provide training to supervisory staff, and to assist in the development of a methodology for Pillar II and Pillar III assessment. It is also expected that actual working documents will be developed to be used to evaluate reports received from the banks for their Internal Capital Adequacy Assessment Process (ICAAP) in September.

CARTAC is one of eight Regional Technical Assistance Centres funded by the International Monetary Fund around the world.

The GIICS is one of several international standard-setting bodies of which CIMA is a member.

## Facts Box

### Licence/Registration Numbers

Licences/Registrations in Effect	31 March 2015	30 June 2015
<b>Fiduciary Services</b>		
Trust Companies	140	144
Unrestricted Trusts	50	56
Restricted Trusts	63	62
Nominee Trusts	27	26
Registered Private Trust Companies	100	107
Registered Controlled Subsidiaries of Trust Companies	32	34
Companies Management	98	99
Corporate Services	17	20

## A.M. Best Ratings Seminar Hosted at CIMA



Two senior members of the A.M. Best Company rating team were in the Cayman Islands recently, and agreed to conduct a training session on their (re)insurer rating methodology for staff of CIMA.

A.M. Best is a global credit rating agency with a unique focus on the insurance industry. The company boasts that, "Insurance professionals, brokers, regulators and consumers refer to Best's Credit Ratings as an opinion of the financial strength and creditworthiness of risk-bearing entities and investment vehicles."

The full-day seminar was held on 14 July, mainly for staff of the Insurance Supervision Division, in the Authority's Learning Centre. However, there was also a general session which was open to interested staff from all divisions, including senior management.

The A.M. Best team was comprised of Mr. John Andre – Group Vice President - Property Casualty, and Mr. Tom Mount – Chief Actuary.

Acting Head of the Insurance Supervision Division, Mr. Ruwan Jayasekera, was present for the training session.

He explained that the training request was made to A.M. Best, "in recognition of the importance of the Cayman Islands as a prominent offshore insurance and reinsurance jurisdiction, as well as in support of initiatives currently being conducted by the Authority to develop a framework for the review and approval of licensee Internal Capital Models (ICM), and to establish a Ladder of Regulatory Oversight for evaluating licensee risk-based capital adequacy."

In addition to conducting the seminar, the A.M. Best team participated in further discussion on rating agency capital models, technical requirements for risk-based capital, and developments in global insurance and reinsurance capital requirements.

## Summer Internship Opportunities at the Authority

Every summer, CIMA provides career-development opportunities for young people. This year, the Authority accepted 7 students: Rashad Rankin, Tyrese Ebanks, Cline Glidden III, Rebekah Khan, Nina Robinson, Shanique Ayres, and Asaf Scott.

Rashad and Tyrese were assigned to the Information Systems Division. Both helped to set up new users' workstations, kept inventory logs up-to-date, resolved helpdesk issues and other related areas. Rashad is a recent graduate of Florida International University (FIU) in Miami, where he obtained a Bachelor of Science degree in IT. Tyrese is going into his final year at St. Ignatius Catholic High School, and intends to further his studies in Cyber Security.

Cline Glidden III returned to the Investments and Securities Division (ISD). His duties included following up with outstanding funds and

regulatory fees. Cline hopes to pursue a Bachelor's Degree in Accounting.

Also joining ISD was Shanique Ayres. She provided assistance with sorting and filing documents to CIMA's regulatory reporting system. This coming Fall, Shanique will begin a Bachelor of Science degree in Nursing at the University College of the Cayman Islands (UCCI).

Rebekah Khan also returned to CIMA and assisted the Policy & Development Division with any day-to-day tasks. She is currently in her final year at FIU, pursuing a Bachelor of Finance degree.

Nina Robinson was placed in the Human Resources Division, where she is working closely with the Mail Services section. She is in the process of obtaining an Associate degree in Business Administration at UCCI.

Asaf Scott is scheduled to arrive on



(l-r) Summer Interns Shanique Ayres, Nina Robinson and Rebekah Khan. This photograph is representative of some of the students participating in CIMA's internship programme this year.

3 August. He will be assigned to the Insurance Supervision Division, then transferring to the Policy & Development Statistics Unit.

The Authority continues to seek opportunities to invest in meaningful experiences for young Caymanians through its internship programme.

## Recent CIMA Staff Appointments



### Head - Banking Supervision Division

The Authority appointed Mr. Charles Ilako as Head of the Banking Supervision Division, effective 14 May.

Mr. Ilako is an experienced financial services expert and regulator. Prior to his appointment with CIMA, he served as Executive Director, Policy and Strategy with the Jersey Financial Services Commission.

He has undertaken a number of advisory assignments. These include: Lead Partner, Regulatory Compliance Practice, at FTI Consulting; Senior Advisor to the Executive Committee, BNP Paribas; Senior Advisor, Financial Services Authority; and Executive Director – Strategy, UK Pensions Regulator. The new Head of Banking Supervision began

his financial services career with audit firm PricewaterhouseCoopers, where he served in various capacities, rising to Partner, Global Financial Services Regulatory and Compliance Practice - based in London and Brussels.

He earned the designation Fellow Chartered Accountant from the Institute of Chartered Accountants in England and Wales.

Mr. Ilako is the author of "Protecting the Brand: The Evolving Role of the Compliance Function", "The Impact of Solvency II", "Basel II - Key Challenges and the Road Ahead", "The Regulation of Market Risk" with Peter Cooke, former Chairman of the Basel Committee, and "XBRL for Financial and Regulatory Reporting".

### Deputy Head - Investments and Securities Division

Garth Ebanks was appointed Deputy Head of the Investments and Securities Division on 1 July 2015.

He joined the Authority in October 2013 as Chief Analyst in the Investments and Securities Division. Mr. Ebanks came to CIMA after serving in various capacities with the accounting firm KPMG in the Cayman Islands and the financial institutions and real estate audit department at the Toronto office.

Mr. Ebanks earned an Associate of Arts Degree in Accounting from the University College of the

Cayman Islands in 2003. He also earned a Bachelor of Accounting and Bachelor of Business Administration degree (double major in Management and International Business) from Florida International University in 2007.

He was accorded the designation Certified Public Accountant (CPA) in 2010, after having passed all required examinations the previous year.

He is a member of the Cayman Islands Society of Professional Accountants, and the American Institute of Certified Public Accountants.



### Deputy Head - Insurance Supervision Division

Razaak 'Raz' Busari joined CIMA on 22 June 2015. He previously served as an Associate Director at the Qatar Financial Centre Regulatory Authority from 2006 to 2015.

Prior to that, he was a Senior Associate with the Financial Services Authority of the United Kingdom from 1999 to 2006, supervising financial services institutions.

Mr. Busari has a Post-Graduate Diploma in Islamic Banking and Insurance from the Institute of Islamic Banking & Insurance (IIBI), United

Kingdom, and is an Associate Fellow of the IIBI. In addition, he is a Certified Anti-Money Laundering Specialist (CAMS), and earned the International Compliance Association's International Diploma in Compliance. He also has professional qualifications in financial planning and mortgage advice.

He was educated at the University of North London, UK, where he was awarded a Bachelor of Laws (Hon) degree in 1997, and at the University of Ibadan, Nigeria, where he earned a Bachelor of Arts (Hon) degree in English in 1988. Mr. Busari is pursuing a Master of Business Administration degree at the University of Leicester, UK.

### Public Relations Executive - Managing Director's Office

Ms. Yvette Cacho joined the Authority as a Public Relations Executive on 11 May.

She previously served as Information Officer with the Cayman Islands Government Information Services (GIS).

For a period of two years, prior to her GIS stint, Ms. Cacho was Research Officer with the

Constitution Secretariat during the preparations for the new Cayman Islands Constitution.

This was followed by two years as Secretary of the Immigration Appeals Tribunal.

Ms. Cacho earned a Bachelor's degree in Business Administration, with a double major in Marketing and Management, from Florida International University in 2006.



## Promotions in Investments and Securities Division



The Authority continues to provide career advancement opportunities for young Caymanians on its staff.

With the promotion of Garth Ebanks to the role of Deputy Head of the Investments and Securities Division, two of his colleagues have moved up the ranks at CIMA.

Andrew Graham has moved into Mr. Ebanks' previous position of Chief Analyst, and Betsy Riddick now has Mr. Graham's former title of Senior Analyst.

He was educated at the University College of the Cayman Islands, where he earned an Associate degree in Business Administration and Management in 2000.

Mr. Graham also holds a Bachelor of Business Administration (Hons), Marketing degree from the University of Georgia, United States, which was awarded in 2003.

He joined CIMA in October 2010.

Mrs. Riddick joined the Authority as an Analyst in January, 2010, after serving as an Internal Auditor in the Internal Audit Unit of the Cayman Islands Government for a period of three years.

She earned an Associate degree in Business Administration from the Community College of the Cayman Islands in 2002.

Mrs. Riddick was also awarded a Bachelor of Arts (cum laude) in Finance from the University of South Florida, Tampa, in 2004.

Managing Director, Mrs. Cindy Scotland, expressed satisfaction that the Authority is able to map a career path for young members of staff who acquire the right qualifications and perform well in their roles.

The promotions of both Mr. Graham and Mrs. Riddick were effective 1 July 2015.



## Authority's Staff Take Environmental Pledge

World Environment Day (WED) was observed on 5 June by the United Nations (UN). The UN uses WED as a platform for promoting worldwide awareness and action for the environment.

In support of WED, the CIMA Green Team encouraged the Authority's staff to participate by taking a pledge.

The pledge included objectives such as: using cloth bags instead of plastic bags at the grocery store; turning off the lights when leaving a room at home; using rainwater for indoor plants; not running the water while brushing teeth; turning off monitors during lunch at work and remembering to turn off computers before leaving work; sharing green

tips with a friend on social media and including a link to the CIMA WED LinkedIn post; and planting a tree this year.

The mission of the CIMA Green Team is to encourage staff members of the Authority to participate in activities that promote environmental sustainability at CIMA, and in the Cayman Islands.



## CIMA Takes Part in CHHS Programme



Yelena Rankine and Jerome Mills were the two young Clifton Hunter High School students who gained work experience at the Authority.

Gaining valuable work experience with a reputable employer can be challenging for high school students, especially when seeking short-term placement.

Two students from the Clifton Hunter High School (CHHS) successfully completed their second annual consecutive work experience with the CIMA in June of this year.

The placements were awarded to Jerome Mills and Yelena Rankine as part of the CHHS 'Take Your Child To Work' programme. Both students are currently in Year 10.

Once again, Jerome was assigned to the Public Relations Unit, where he practiced taking photographs and gained experience writing content for LinkedIn updates and the CIMA internal newsletter.

This year, Yelena was placed in the Human Resources Division, where she was given an overview of CIMA and was exposed to the different HR Units and their respective functions. She was previously attached to the Banking Supervision Division.

## Authority Seeking to Add Gibraltar Stock Exchange To Approved Exchanges

The Authority is seeking to have amendments made to the Monetary Authority Law (2013 Revision) (MAL), with a view to simplifying the process by which stock exchanges located in certain countries can become approved stock exchanges.

CIMA is collating responses from a private sector consultation on the proposed amendments to the MAL, and the Guidance Notes on the prevention and detection of money laundering and terrorist financing in the Cayman Islands. The amendments relate specifically to Section 3.104(d) of the MAL, and to Appendix H of the Guidance Notes.

The consultation sought responses to the proposed addition of the Gibraltar Stock Exchange (GSX) to the list of approved stock exchanges and markets. GSX Limited ('GSX') is a Gibraltar-based private limited Company that has a stock exchange licence from the Financial Services Commission in Gibraltar. The stock exchange opened in 2014.

In March 2015, a director of the GSX made a request to the Authority for the exchange to be added to Appendix H of the Guidance Notes. Appendix H contains a list of markets and stock exchanges that are approved by the Cayman Islands Monetary Authority. Financial services providers can rely on the due diligence conducted by the stock exchanges listed in Appendix H.

The deadline for the private sector associations to submit written comments and representations to the Authority was by 17:00 hrs on 23 June 2015.



## CIMA Represented at RIMS Conference 2015



Deputy Head of the Insurance Supervision Division, Mr. Ruwan Jayasekera (9th from left), and Deputy Managing Director-Supervision, Mrs. Anna McLean (12th from right), with other members of the Cayman RIMS delegation at the IMAC booth.

Deputy Managing Director-Supervision, Mrs. Anna McLean, and Deputy Head of the Insurance Supervision Division, Mr. Ruwan Jayasekera, were part of a 30-member delegation from the Cayman Islands which attended the 2015 annual conference of the Risk Management Society (RIMS).

The RIMS Conference was held in New Orleans, Louisiana, from 27 to 29 April. It is recognized as the definitive risk management and insurance event, and the largest gathering of risk managers and insurance professionals in the world.

CIMA has been attending this annual event in the last several years in order to meet current and potential clients, and to help improve the jurisdiction's position as one of the world's leading captive domiciles.

CIMA representatives take this opportunity to meet with the directors and management of its licensees. Some of the hot topics at this year's RIMS conference included: how to grow your business in turbulent geopolitical times with risks forming a complex web of interconnected perils, all operating more unpredictably and at a higher speed than ever before; modernizing the regulation of international insurance programmes; game changers in the insurance industry; and the eHealth revolution: risks that may ensue.

The CIMA team was part of a delegation organised the Insurance Managers Association of Cayman (IMAC). IMAC is the private sector industry body that has responsibility for promoting Cayman's captive insurance industry to its target markets around the world, and has been sending representatives to the RIMS conference for many years.

Licences/Registrations in Effect	31 March 2015	30 June 2015
<b>Insurance</b>		
Insurance Companies	788	723
Class A	28	29
Class B	726	691
Class C	33	31
Class D	1	1
Insurance Managers	31	31
Insurance Brokers	41	42
Insurance Agents	59	50
<b>Investments and Securities</b>		
Mutual Funds	10,755	11,061
Registered	7,597	7,795
Master	2,676	2,773
Administered	379	390
Licensed	103	103
Mutual Fund Administrators	112	109
Full	84	89
Restricted	28	29
Exempted	2	2
Securities and Investment		
Business Law (SIBL) Licensees	37	39
Excluded Persons Under SIBL	2,142	2,275
<b>Currency in Circulation</b>		
Total Currency	CI\$93.0m	CI\$94.8m
Notes	CI\$82.5m	CI\$ 84.2m
Coins	CI\$10.5m	CI\$10.6m
Note: CI\$1.00 = US\$1.20		

## LOOK AHEAD

## 2015

**Keeping Cayman AIFMD Competitive**

Concerted efforts are underway to maintain the leadership position of the Cayman Islands as a domicile for mutual funds, and to further increase its share of the global mutual funds sector.

Two key pieces of legislation that are part of these efforts will be considered by the Legislative Assembly in August. They are the Mutual Funds (Amendment) Bill, 2015, and the Securities Investment Business (Amendment) Bill, 2015.

The aim of the legislation is to establish an opt-in regime for regulating Cayman Islands-domiciled investment funds and managers with connections to the European Union (EU), in order to facilitate extending the EU's Alternative Investment Fund Managers Directive (AIFMD) passport to the Cayman Islands.

The Mutual Funds (Amendment) Bill provides for regulating Cayman investment funds that opt to be regulated by the Cayman Islands Monetary Authority (CIMA) for AIFMD passport purposes. A Cayman investment fund that chooses this option is referred to as a 'regulated EU connected fund' in the bill. This is a category available to both open-ended funds and closed-ended funds.

The Securities Investment Business (Amendment) Bill provides for regulating Cayman fund management entities that engage in certain EU connected activities specified in the bill; and which elect to be regulated

by CIMA for AIFMD passport purposes. A Cayman fund management entity that makes such an election is referred to as an 'EU Connected Manager' in this bill. This category is available to both current licensees under the Securities Investment Business Law and entities that are currently not required to be licensed under this law.

CIMA and Cayman Finance are working with the Ministry of Financial Services on new regulations to be made under the Mutual Funds Law and the Securities Investment Business Law that establish new regulatory standards, consistent with the AIFMD. The draft bills were published by the Cayman Islands Government in July.

Until such time that decisions are made regarding extending the AIFMD passport to the Cayman Islands, Cayman investment funds may continue to be marketed in the EU under national private placement regimes that require, among other things, that Cayman's regulator, CIMA, has signed memoranda of understanding (MOUs) with individual EU member states. These arrangements can continue until at least 2018.

CIMA has signed MOUs with 27 EU member states.

