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CIMA Hosts ASBA Training Course



Head of Banking, Mrs. Reina Ebanks, welcomed students and facilitators.

CIMA hosted representatives of the Board of Governors of the United States Federal Reserve, regional members of the Association of Supervisors of Banks of the Americas (ASBA) and the Caribbean Group of Banking Supervisors (CGBS) for an intensive training course for banking regulators.

Held at the Grand Cayman Marriott Hotel, 14-18 October, the Banking Analysis and Examination School was designed for banking supervisors with 12 to 18 months of relevant experience. Facilitated by the representatives of the US Federal Reserve, the course provided training on risk management and analytical concepts in all areas of supervision including: bank examination, inspections, loan classification and surveillance.

Seven CIMA staff members from the Banking and Policy Divisions participated in the five-day course, along with ten banking supervisors from the central banks of Barbados, Turks and Caicos, Jamaica, Paraguay, Suriname, Venezuela, Honduras, Belize, Curacao and the Eastern Caribbean Central Bank. The rigorous training culminated with an examination on the final day.

“ **...High-level training such as this allows us, and our regional counterparts, to benefit from prominent organisations like the U.S. Federal Reserve. This shared knowledge reinforces cross-border cooperation and improves our ability to supervise our licensees, particularly those operating across jurisdictions.** ”

CIMA's Managing Director, Mrs. Cindy Scotland, explained that hosting the course reaffirmed the Authority's commitment to exposing the Authority's staff to the latest standards and techniques of supervision and to promoting international cooperation.

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Scotiabank Vice-President, International Research, Calls on Managing Director

Scotiabank Vice-President, International Research, Pablo Bréard, paid a courtesy call on CIMA's Managing Director, Mrs. Cindy Scotland, while in the Cayman Islands in October.

Mr. Bréard, an economist, manages a team of research professionals focused on international (non-U.S.) economic, political and capital markets analysis. At Scotiabank, he has responsibility for Latin American sovereign fundamental and technical analysis and travels extensively throughout the Americas to gather information and to liaise with the heads of research in Scotiabank's subsidiaries. He provides strategic investment advice on the region and is involved in client development.

Mr. Bréard was accompanied on his visit to the Authority by colleagues from the bank's local operations – Ms. Sarah Hobbs, Centre Director; Mr. Jean Maucieri, Assistant General Manager Corporate & Commercial Banking; and Mr. Mahes Nagendram, Director of Treasury.

CIMA's Head of Banking, Mrs. Reina Ebanks and Senior Analyst in the Banking Division, Ms. Elaine Humphreys, also participated in the meeting with the Scotiabank team.

Scotiabank is one of seven commercial banks in the Cayman Islands supervised by the Authority.



(l-r) Mrs. Reina Ebanks, Mrs. Cindy Scotland, Ms. Elaine Humphreys, Mr. Mahes Nagendram, Ms. Sarah Hobbs, Mr. Pablo Bréard, and Mr. Jean Maucieri share a light moment during their meeting.

Facts Box

Licence/Registration Numbers

Licences/Registrations in Effect

30 June 2013

30 September 2013

Banking and Trust

Banks

221

221

Category A

15

15

Category B

206

206

Nominee Trusts

36

36

Money Services Providers

6

6

CIMA Staff Participate in A.M. Best Seminar

Staff of the Cayman Islands Monetary Authority joined members of the Cayman Islands Insurance Association (CIIA), Cayman Islands Society of Professional Accountants (CISPA), and Insurance Managers Association of Cayman (IMAC) to participate in an all-day seminar on 2 October, 2013. Organised and hosted by CIMA, in association with A.M. Best Company, a panel of A.M. Best representatives discussed current insurance-rating procedures. This is the second such seminar hosted by CIMA in response to industry feedback received in 2012.

The event took place at the Grand Cayman Marriott Resort with over 100 persons in attendance. Mr. Alan Morris, Chief Actuary at CIMA, facilitated discussions between the audience and the A.M. Best panel of insurance specialists. Mr. Morris has over 20 years of experience in the insurance sector. His current position as Chief Actuary allows him the opportunity to regularly liaise with key members in Cayman's local financial services industry.

The panel at this event was comprised of high-level insurance professionals. Panellists' presented topics relevant to insurance-rating. Mr. Jim Fowler, Business Development Manager at A.M. Best, gave an overview of the company and discussed General Insurance/Reinsurance Market Perspective, A.M. Best Company Ratings, Insurance Linked Securities, and the Longevity/Life Risk sector. Mr. Fowler also emphasised the significance of ratings; specifically, why and how they are utilised.

Other speakers representing A.M. Best included Mr. John Andre, Group Vice President; Mr. Nick Dranchak, Senior Financial Analyst; and Mr. Robert De Rose, Vice President. A.M. Best Company is a worldwide insurance-rating and information agency with more than 100 years in business.

CIIA and CISPA co-sponsored this event. CIMA will strive to continue partnering with industry to make such training opportunities available locally in the future, and hopes to feature local subject-matter-experts. Copies of the presentations are available CIMA's website, in the Speeches section.



(l-r) Jim Fowler, Robert De Rose, Nick Dranchak, and John Andre.



John Andre takes a question from the audience.

New Governor Comments on Cayman Islands Financial Services Sector

The new Governor of the Cayman Islands is well aware of the significant role which the financial services sector plays in the country's economy, and wants to help promote its reputation.

Her Excellency, Helen Kilpatrick CB, was sworn in on 6 September. Among the topics touched on in her acceptance speech, Mrs. Kilpatrick said that she is committed to creating greater understanding of the enhancement of the reputation of the Cayman Islands as a global financial services jurisdiction.

The Governor said: "Like many, I welcomed the commitments made by the Cayman Islands at the recent

G8 meeting in London to increase the transparency and co-operation of the financial services sector. These commitments helped to demonstrate that the Cayman Islands want to play a leading role in tackling the global problem of tax evasion. But I noted in the run up to the G8, that many parts of the world found it difficult to understand the Cayman Islands properly. I look forward to helping to drive forward the global reputation of Cayman to one of a dynamic, well regulated, financial services centre."

An accountant by profession, Mrs. Kilpatrick is the first female Governor appointed to the Cayman Islands.



H.E. Helen Kilpatrick, CB
 photograph courtesy Government Information Services

“... I look forward to helping to drive forward the global reputation of Cayman to one of a dynamic, well regulated, financial services centre...”

CIMA Hosts ASBA Course (continued from page 1)

"As regulator of one of the top financial jurisdictions, it is vital that CIMA staff be cognizant of cutting-edge techniques in regulation and supervision," she said. "High-level training such as this allows us, and our regional counterparts, to benefit from prominent organisations like the Federal Reserve. This shared knowledge reinforces cross-border cooperation and improves our ability to supervise our licensees, particularly those operating across jurisdictions."

ASBA is a regulatory, standard-setting body that develops, disseminates and promotes banking supervisory practices throughout the Americas in line with international standards and supports the development of banking supervision expertise and resources in the Americas, through the provision of training and technical cooperation services.

CIMA is a member of ASBA, and completed a two-year appointment on the association's Board.

Facts Box

Licence/Registration Numbers

Licences/Registrations in Effect	30 June 2013	30 September 2013
Fiduciary Services		
Trust Companies	140	140
Unrestricted Trusts	51	51
Restricted Trusts	67	67
Nominee Trusts	22	22
Registered Private Trust Companies	85	87
Registered Controlled Subsidiaries of Trust Companies	35	34
Companies Management	93	92
Corporate Services	15	17

CIMA Represented at Colombia Supervisors College

Head of the Banking Division, Mrs. Reina Ebanks, represented the Cayman Islands Monetary Authority at the College of Supervisors courses in Bogotá, Colombia, from 18-19 September 2013.

CIMA was one of eight regulatory authorities participating, including regulators from Costa Rica, Panama, Nicaragua, Guatemala, Honduras and El Salvador, as well as Directors and Senior Officers of the Banco de Bogotá and Grupo Aval.

The Supervisory College was organized by the Financial Superintendency of Colombia in its capacity as the home regulator of Banco de Bogotá and Grupo Aval. Presentations were made by the President and Heads of various business units of Banco de Bogotá and BAC Credomatic, the largest subsidiary of Banco de Bogotá. Their presentations covered organizational structure, financial performance, risk management, corporate governance and internal controls.

In the Regulators' Session, participating countries provided an

overview of operations in their jurisdictions, followed by an overview of the financial indicators of their banks' operations and their risk assessment methodology.

Colleges of Supervisors bring multilateral groups of relevant supervisors together for the collective purpose of enhancing effective supervision of financial institutions operating across borders.

"Supervisory colleges are invaluable as a regulatory tool," Mrs. Ebanks said, "As well as providing international standards of banking supervision as recommended by the Basel Committee in its Core Principles for Effective Banking Supervision, they offer numerous other benefits for participants. From the overview of operations in the top down approach to the shared regulatory information, the colleges allow us to identify concerns and positive developments in each region. In addition, relationships with fellow regulators are strengthened and confidence enhanced as participants obtain a better perspective of the regulatory framework in each jurisdiction."



Mrs. Reina Ebanks (second from left), with some of her counterparts who attended the College of Supervisors in Bogotá, Colombia.

Senior Banking Analyst Promoted to Chief Analyst

Mr. Ishmael DaSilva, Senior Analyst in the Banking Supervision Division, has been promoted to Chief Analyst in that division.

Mr. DaSilva joined the Authority in January 2011. He came to CIMA from the accounting firm Ernst & Young, where he served as a Staff Accountant, and subsequently as a Financial Management Associate.

In 2005, Mr. DaSilva earned a Bachelor of Science, Accounting and Business Administration with a concentration in Financial Management, from Florida Southern College. He also completed a Master of Business Administration, Finance, from the International College of the Cayman Islands in 2009.

Earlier this year, Mr. DaSilva passed the four-part Certified Public Accountant (CPA) examination.



CIMA Director Lectures on FATF Changes



Prof. William Gilmore (photograph courtesy Government Information Services)

Professor William Gilmore says the new standards and methodologies required by the Financial Action Task Force (FATF) regarding anti-money laundering and countering terrorism financing will place a heavy burden on assessors and evaluated countries around the world.

This view was expressed when Prof. Gilmore - a member of the CIMA Board of Directors since 2006 - delivered the third annual Grand Court Lecture organised by the Judicial Administration of the Cayman Islands. The subject was "The Financial Action Task Force (FATF) and the International Community: Revised Standards and New Challenges."

The FATF is the global standard-setter in the fight against money laundering, and the financing of terrorism and proliferation of weapons of mass destruction.

A large number of private sector professionals, legislators, fellow CIMA board members, and public servants with special interest in the subject took advantage of the opportunity to attend the lecture held in the Court Building on 6 August.

Prof. Gilmore explained that the changes will make new demands on countries and regional bodies, since there will now be technical compliance assessments as well as effectiveness assessments by global financial authorities from the Financial Action Task Force starting in May next year. The technical compliance assessment will address the specific requirements of each of the FATF Recommendations, principally as they relate to the relevant legal and institutional framework of the country, and the powers and procedures of competent authorities. The effectiveness assessment will assess the extent to which a country achieves a defined set of outcomes that are central to a robust AML/CFT system and will analyse the extent to which a country's legal and institutional framework is producing the expected results.

However, the methodology explicitly places the onus on the countries assessed to provide evidence of compliance and effectiveness. With the new risk-based approach to allocating resources, countries are required to designate an authority to not only assess risk but also periodically review that risk.

He said the challenges faced will differ significantly from country to country, and that governments around the world are currently assessing their positions and making efforts to comply. He warned that the stakes are high, and that the new measures are likely to give rise to controversies which will likely find their way into the court system.

Prof. Gilmore - Emeritus Professor of International Criminal Law in the University of Edinburgh, Scotland - has been the legal adviser (Scientific Expert) to the FATF regional body for Europe, MONEYVAL, since its creation in 1997.

Fiduciary Division Deputy Head Listed in IFC's Top 100 Women

Letitia Frederick, Deputy Head of the Fiduciary Services Division, has been listed in the International Financial Centre's Power Woman Top 100.

The list is an A-Z compendium of influencers and professionals working around the financial services industry in international financial centres, and is compiled from a number of sources.

Part of the research was generated by the 2013 edition of the Citywealth printed Leaders List book. This was combined with recommendations from leading figures in the financial services industry to widen the list to include women of influence in the major financial centres.

Mrs. Frederick said, "I am truly humbled and honoured to receive this unexpected recognition."



CIMA Participates in ASHRM Conference in Texas

The Cayman Islands Monetary Authority (CIMA) was part of a financial services sector delegation which represented the jurisdiction at this year's annual conference of the American Society for Healthcare Risk Management (ASHRM). It took place in Austin, Texas, from 27-30 October, 2013.

Under the umbrella of the Insurance Managers Association of Cayman (IMAC), local industry experts including captive insurance managers, auditors, attorneys, bankers, investment managers and representatives from the CIMA were in attendance. CIMA's Managing Director, Mrs. Cindy Scotland, was part of the Cayman delegation.

The ASHRM conference is structured specifically for healthcare risk management, patient safety, legal, insurance and other professionals in

healthcare-related fields.

IMAC hosted a panel presentation called 'Captive Insurance and Healthcare - A Happy Marriage', in which experts in healthcare focussed on feasibility studies, best practices and domicile selection specific to the healthcare industry.

The aim of the session was to help identify why captives have value, especially from a US tax and regulatory perspective, explain the importance of strategic planning and proper feasibility studies and explain operational procedures and programme structures, including implementation and operations in the Cayman Islands.

Over 100 industry-related exhibitors participated in the ASHRM conference.



Authority Staff Member Benefits from IOSCO Training Programme in Spain



Deputy Head of the Investments and Securities Division, Mrs. Gloria Glidden, attended a seminar training programme in Madrid, Spain, from October 22-25, 2013.

The training programme entitled "Going Forward: Future Challenges in Securities Regulation and Practical Solutions for Meeting Those Challenges" was offered by the International Organisation of Securities Commissions (IOSCO).

Over 85 participants representing more than 45 countries attended the intensive four-day programme. They examined continuing issues, as well as newly emerging issues and challenges securities regulators face today and in the future with respect to the regulation of securities and capital markets.

An update on current and future IOSCO activities was presented by the IOSCO Secretary General's Office and global subject matter experts examined the very latest and most up-to-date thinking on key topics.

In addition, special attention was given to showing the application of the IOSCO Principles to the topics discussed throughout the seminar.

Mrs. Glidden says, "The course was excellent and very interactive. In addition to presentations by regulatory experts, case studies, role playing and hypotheticals were used extensively throughout the course and encouraged involvement by all attendees."

CIMA Represented at COSRA Meeting in Quebec

The Council of Securities Regulators of the Americas (COSRA) held their second of their twice-yearly meetings in Quebec, Canada, from 24-25, October 2013.

Deputy Head of the Investments and Securities Division, Ms. Heather Smith, represented the Authority at this meeting.

Membership in COSRA - a regional sub-committee of IOSCO - is open to all securities regulatory authorities in North, South, and Central America, as well as the Caribbean. It provides a forum for mutual cooperation and communication to enhance each country's efforts to develop and foster the growth of sound securities markets that are fair to all investors.

Delegates reviewed decisions made and regional/international initiatives agreed at the IOSCO annual

conference in Luxembourg. In addition, there were presentations and discussions on various topics, including (1) progress on the development of the Latin American Integrated Market; (2) findings of the Working Group (WG) on conflicts of interest, with particular focus on related party transactions; (3) findings of the WG on risk-based supervision; and (4) the Panamanian experience regarding the supervision and regulation of FOREX activity. There was also a presentation from the World Bank on the new IOSCO Principles on Clearing and Settlement.

The rest of the meeting was dedicated to identifying the work-plan for COSRA for the next few months, based on the general IOSCO strategic plan for 2013/2014, as well as items of regional interest as identified by the members.

The next meeting will be in Cartagena, Colombia, in March/April 2014.



CIMA Staff Deliver Charity Year-Round

For the past couple of years, CIMA has made its Annual Christmas Tree a 'Giving Tree' whereby divisions choose a local charity and find a way to support their cause. In December 2012, the Human Resources Division (HRD) chose Meals on Wheels (MOW) as their charity.

MOW organises the preparation and delivery of over 150 meals daily, Monday to Friday, to the elderly and persons with disabilities in three districts. Volunteers are sometimes the only form of social interaction the affected elderly receive. Supplying them with food is beneficial on many levels, for both those delivering, and those receiving.

After the Holiday season, members of the HRD decided to continue to support MOW by assisting with the weekly delivery of lunches throughout the year, in the George Town and Prospect areas.

Tara Abdul-Jabbar, Deputy Head HRD, and Kim Ternier, HRD Officer, continue meal deliveries every Wednesday to seven individuals in George Town. Deliveries are done during their lunch hour, and the food is collected from the Meals on Wheels location in town, which provides details for location of deliveries.



Tara Abdul-Jabbar (left), and Kim Ternier prepare to make their meal deliveries in the George Town area.

Art@CIMA

Artwork ranging from portraits, wildlife and infant photography to cartoon art, hand-painted eggs and delicate, needlework cushions were exhibited in CIMA conference rooms throughout October, drawing glowing comments from visitors and staff alike.

It was the second annual Art@CIMA event, celebrating the artistic talents of staff, which this year included the work of employee family members. The exhibition formed part of the BIG Draw, an international family arts festival, which highlights the importance of drawing for learning, creativity and innovation.



Staff Changes in Policy and Development Division



Justine Plenkiewicz, formerly Chief Policy Officer, has been promoted to Deputy Head of the Policy and Development Division.

Ms. Plenkiewicz is a lawyer with almost 11 years of post-qualification experience. Her strengths include insurance law, securities and investment funds law and corporate governance.

Specialized in financial services regulatory issues, she represents CIMA as a member of the Working Group on Shadow Banking of the Regional Consultative Group for the Americas (RCGA) of the Financial Stability Board (FSB).

She has a Bachelor's degree in Communications and a Bachelor's in Law from the University of Ottawa, a Master's in Law from the Erasmus University, Rotterdam, and a Master's degree in Public Administration from the University of Colorado, USA.



The Authority has appointed a new Senior Statistician in the Policy and Development Division. Mr. Yoshneck Mutomba brings with him a wealth of experience in areas of Research and Statistics. He earned an M.Sc. Physics degree (Theoretical Physics) from the University of Havana, Cuba, (2002), a B.Sc. (Hons) Physics and Electronics with Education, also from the University of Havana (1999), and a number of post-graduate diplomas.

He has worked in both the public and private sectors. Mr. Mutomba has also served as an adjunct lecturer at the University College of the Cayman Islands (UCCI) since 2006, in the Department of Mathematics and Sciences. He is a member of the Research Team at UCCI.

Among his publications to date, are 'Occupational Wage Survey 2005', 'Perceptions of Civil Servants on the CINICO health insurance', and 'The delivery of services by the Health Service Authority'. Mr. Mutomba has also co-supervised a number of MBA and M.Sc. (HRM) research projects.

Licences/Registrations in Effect	30 June 2013	30 September 2013
Insurance		
Insurance Companies	777	782
Class A	27	27
Class B	707	714
Class C	40	39
Class D	2	2
Insurance Managers	29	29
Insurance Brokers	40	42
Insurance Agents	60	61
Investments and Securities		
Mutual Funds	11,209	11,343
Registered	8,243	8,239
Master	2,449	2,587
Administered	400	404
Licensed	117	113
Mutual Fund Administrators	123	123
Full	88	88
Restricted	33	33
Exempted	2	2
Securities and Investment		
Business Law (SIBL) Licensees	34	34
Excluded Persons Under SIBL	2,064	2,225
Currency in Circulation		
Total Currency	CI\$89.0m	CI\$87.2m
Notes	CI\$79.1m	CI\$77.2m
Coins	CI\$9.9m	CI\$10m

LOOK AHEAD

2013

Campbells Fund Focus

CIMA's Deputy Managing Director – Operations, Mr. Patrick Bodden, is scheduled to give the Keynote Speech at the opening of the Campbells Fund Focus Conference on Friday, 15 November 2013, at the Westin Casuarina Resort.

Campbells Fund Focus is the longest established fund conference in the Cayman Islands. It is celebrating its eleventh year in 2013. The theme of this year's conference is "Whose Fund: Manager or Investor?"

Two other senior members of the Authority's staff will also be presenters at the conference. Head of Investments and Securities, Mrs. Yolanda Ebanks-McCoy, and Head of Compliance, Mr. R.J. Berry, will be panellists.

They will be participating in one of the panels entitled "Regulatory Update and Relationship Between Investors and Regulators".

Fraud Prevention Seminar

CIMA is partnering with the Cayman Islands Chamber of Commerce and with the Royal Cayman Islands Police Service (RCIPS) to organise a Fraud Prevention Seminar for retail and bank employees, and business owners. It is scheduled for Tuesday, 12 November, and Wednesday, 13 November in Grand Cayman. On Thursday, 14 November, it will be offered in Cayman Brac.

This is the sixth seminar of its kind to be organised by CIMA, the Chamber of Commerce and the RCIPS, in an effort to inform businesses about how to detect counterfeit currency and episodes of potential fraud, including debit and credit card as well as Internet Fraud.

Representatives from the RCIPS Commercial Crime Division, the United States Secret Service and CIMA will lead these seminars.

The intended target audience is cashiers, tellers and frontline staff who handle money or have direct customer interaction and contact.