



CAYMAN ISLANDS MONETARY AUTHORITY

November 17, 2014

President, Alternative Investment Management Association (Cayman)
President, Cayman Islands Association of Insurance and Financial Advisors
President, Caymanian Bar Association
President, Cayman Islands Bankers Association
President, Cayman Islands Company Managers Association
President, Cayman Islands Directors Association
President, Cayman Islands Financial Services Association
President, Cayman Islands Fund Administrators Association
President, Cayman Islands Insurance Association
President, Cayman Islands Law Society
President, Cayman Islands Society of Professional Accountants
President, CFA Society of the Cayman Islands
President, Insurance Managers Association
President, Compliance Association
President, Society of Trust and Estate Practitioners (Cayman Islands)

Dear Sirs:

Re: Private Sector Consultation Papers ("PSCPs") on proposed Rules and Statements of Guidance

Forwarded herewith for comments are the Authority's Private Sector Consultation Papers ("PSCPs") and supporting appendices proposing the following Rules and Statements of Guidance ("SOG"):

Risk Management for Insurers

- Amendments to the Rule on Risk Management for Insurers

Market Conduct - Insurers, Agents and Brokers

- Amendments to the Rule on Market Conduct – Insurers, Agents and Brokers
- Amendments to the Statement of Guidance on Market Conduct – Insurers, Agents and Brokers

Asset Classification and Asset Loss Provisioning for Banks

- Replacement of the Rules on Credit Risk Management and Loan Loss Provision (Allowances) with a Rule on Asset Classification and Asset Loss Provisioning
- Replacement of the statements of guidance on Credit Risk Asset Classification, Credit Risk Management and Loan Loss Provision (Allowances) with one Statement of Guidance on Asset Classification and Asset Loss Provisioning

Cancellation of Regulated Mutual Fund Licenses and Certificates of Registration

- New Rule on the Cancellation of Regulated Mutual Fund Licenses and Certificates of Registration
- Replacement of three Statements of Guidance on Cancellations of Licenses and Registrations with a Regulatory Procedure on the Cancellation of Regulated Mutual Fund Licenses and Certificates of Registration

The PSCPs are being forwarded along with the proposed Rule and SOGs in order to provide the relevant Associations with all the consultation documents as required by the Monetary Authority Law (2013 Revision). Please refer to the PSCPs for further details on the Background, Purpose and Rationale of the Measure, and Significant Costs and Benefits.

If your association has comments, please forward a consolidated response on its behalf, on or before Friday, **December 19, 2014**.

The consultation documents will be posted to the Authority's website at www.cimoney.com.ky.

We look forward to your responses. Please free to contact Justine Plenkiewicz, Head of Policy and Development Division, if you have any queries.

Sincerely,

A handwritten signature in blue ink that reads "Scotland".

Cindy Scotland
Managing Director

cc: Hon. Financial Secretary
Dr. Dax Basdeo, Chief Officer, Ministry of Financial Services