



CIMA Statement on AIFMD

April 12, 2013

The Cayman Islands Government passed an amendment on 15 March, 2013, which will allow the Cayman Islands Monetary Authority (CIMA) to enter into memoranda of understanding with its EU counterparts, using a model MoU developed by the European Securities Markets Authority (ESMA).

The amendment was a response to the European Union's Alternative Investment Fund Managers Directive (AIFMD), which will require certain conditions to be met before non-EU countries can market alternative investment funds – such as hedge funds – in the EU.

Minister, the Hon. Rolston Anglin, who has responsibility for the Cayman Islands financial services sector, stated in the Legislative Assembly that the amendment was necessary to enable the continued marketing of Cayman Islands funds in the European market.

The AIFMD is to be implemented across Europe from 22 July, 2013. With the amendment, Cayman is now compliant with the three AIFMD conditions that are of particular relevance to this jurisdiction.

Since early 2012, CIMA has been in discussion with ESMA on the model requirements. The Authority has now taken all necessary steps to enable the signing of the agreement with ESMA and has indicated its ability and willingness to enter into cooperation agreements with the EU securities regulators based on the ESMA model MOU.