



CAYMAN ISLANDS MONETARY AUTHORITY

December 5, 2018

President, Alternative Investment Management Association (Cayman)
President, Cayman Islands Association of Insurance and Financial Advisors
President, Cayman Islands Bankers Association
President, Cayman Islands Company Managers Association
President, Cayman Islands Compliance 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, Caymanian Bar Association
President, CFA Society of the Cayman Islands
President, Insurance Managers Association of Cayman
President, Society of Trust and Estate Practitioners (Cayman Islands)

Dear Sirs:

Re: Feedback Statements on Private Sector Consultation Paper on revised Rule and Statement of Guidance ("SoG")

In accordance with section 4(1)(b) of the Monetary Authority Law (2018 Revision), the Cayman Islands Monetary Authority ("the Authority") presents written feedback to the industry comments received during the private sector consultation on the revised Rule: Management of Credit Risk and Problem Assets and the revised Statement of Guidance: Credit Risk Classification, Provisioning and Management.

The Authority has reviewed and considered all comments received. In some instances, amendments were made to the Rule in response to industry comments with no further changes made to the SoG. The attached feedback statement sets out: 1) the industry comments; and 2) the Authority's rationale or justification for our position.

The Authority would like to thank the industry for its participation in this process. We advise that the Rule and SoG were published in the Cayman Islands Gazette No. 25 on 3 December 2018. If you have any questions, please feel free to contact me or Justine Plenkiewicz in the Policy & Development Division (J.Plenkiewicz@cimoney.com.ky).

Yours Sincerely

Cindy Scotland
Managing Director

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