



6 February 2026

President, Association of Legal Professionals and Advocates (Cayman) Ltd.  
Chief Executive Officer, The Alternative Investment Management Association Limited  
Chair, Blockchain Association of the Cayman Islands Ltd.  
Chairman, Cayman Finance Ltd.  
President, The Cayman Islands Association of Financial Advisors  
President, The Cayman Islands Bankers Association Limited  
President, The Cayman Islands Company Managers Association  
President, Cayman Islands Compliance Association Ltd.  
President, The Cayman Islands Directors Association Ltd.  
Chair, Cayman Islands Fund Administrators Association  
President, Cayman Islands Insurance Association  
President, Cayman Islands Legal Practitioners Association Ltd.  
Chairman, Cayman International Reinsurance Companies Association  
Chief Executive Officer, Cayman Islands Institute of Professional Accountants  
President, CFA Society Cayman Islands  
Chair, Insurance Managers Association of Cayman Limited  
Chairperson, Recovery and Insolvency Specialists (Cayman) Association Ltd.  
Chair, Society of Trust and Estate Practitioners (Cayman Islands)

Dear Heads of Private Sector Associations:

**Re: Private Sector Consultation Paper**

The Cayman Islands Monetary Authority (the "Authority") forwards herewith for comments the proposed:

- (1) Rule on Effective Compliance Programme for the Prevention and Detection of Money Laundering, Terrorist Financing and Proliferation Financing for Financial Services Providers; and**
- (2) Rule on Compliance with Financial Sanctions and Targeted Financial Sanctions (together, the "Proposed Measures").**

A Private Sector Consultation Paper ("PSCP") is being forwarded along with the Proposed Measures to provide the relevant associations with the consultation documents as required by the Monetary Authority Act (as amended). Please refer to the PSCP for further details on the background, purpose and rationale of the measures, and significant costs and benefits.

If your association has comments, please forward a consolidated response on its behalf, on or before **5:00 pm on Monday, 9 March 2026**<sup>1</sup>.

---

<sup>1</sup> Where the private sector association has no comments or representations on the Proposed Measures, it is recommended that the Authority be informed of this fact.

Before proceeding with the Proposed Measures, the Authority shall have regard to any representations made by the private sector associations only. Feedback submitted by individuals, entities, or other bodies, unless acting on behalf of a private sector association, will not be accepted by the Authority. Representations from private sector associations must be submitted as a consolidated document, and a list of the entities providing feedback should be included. Private sector associations should ensure that conflicting positions are resolved prior to submission to the Authority. Where positions conflict within or across associations, the Authority will consider all available information in taking a decision, which will be at its sole discretion.

To ensure that all responses are given due consideration, it is important that private sector associations make clear reference to the sections of the measure(s) being commented on, and that responses are unambiguous, clearly articulated and based on fact. The consultation process is not designed to address complaints or grievances. Feedback of this nature should be submitted through the established complaints process.

In cases where the feedback proposes to change a policy position of the Authority or substantially amend any requirement of the Proposed Measures, information to support the position of the association must be provided. The table below provides an example of the Authority’s expectation with regards to feedback for the Proposed Measures.

Reference	Example of a Helpful Comment	Examples of Comments needing more Support
Rule 4.2 <sup>2</sup>	<p>In Rule 4.2, the current text omits the fair value measurement of liabilities. Also, as defined, it is not asymmetrical with the Market Price definition and thus, scenarios exist that fall into neither category.</p> <p><b>Suggested wording:</b>  <i>Hard-to-Value Securities means an asset or liability for which there is no Market Price which is required to be measured at fair value pursuant to 5.2</i></p>	<ul style="list-style-type: none"> <li>× This is not what is done in other jurisdictions.</li> <li>× I don't think we should do this.</li> <li>× CIMA is not considering the position of the experts.</li> </ul>

The consultation document will be posted to the Authority’s website at [www.cima.ky](http://www.cima.ky).

We look forward to your response and should you have any queries, please email [contactpolicy@cima.ky](mailto:contactpolicy@cima.ky).

Sincerely,



Rayford Britton  
 Head of Policy and Development

cc: Mrs. Cindy Scotland, OBE, Chief Executive Officer, Cayman Islands Monetary Authority

<sup>2</sup> This example is not reflective of the content of the Proposed Measures.