



the NAVIGATOR

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CIMA Holds Staff Meeting on its Strategic Plan



The Authority held a meeting on 27 February to formally present the Strategic Plan 2014-16 to its staff. A committee made up of members of the Board of Directors, senior management and staff was charged with developing the plan, and they sought feedback from staff during the planning process. The Plan was approved by the Board last August, and has been under implementation since then. However, this was the earliest opportunity to hold a general staff meeting to discuss the document, which is guiding the strategic direction of the Authority.

Staff heard from the Chairman and Deputy Chairman of the Board, and from the Managing Director about various aspects of the plan. They also had an opportunity to ask questions and make comments.

Chairman, Mr. George McCarthy, expressed confidence in the Authority's management and staff to undertake their tasks, as outlined in the plan. Mr. McCarthy spoke of the important role which CIMA plays in the financial services industry of the Cayman Islands. He also spoke of the critical nature of the staff element in executing the strategic plan, and in carrying out CIMA's mandate. (continued on page 2)



CIMA Strategic Plan (continued from page 1)

Deputy Chairman, Mr. Linburgh Martin, stated that the positive reputation of the Cayman Islands as a financial centre is key to its continued growth and development. He told CIMA staff that they have a critical role to play in the maintenance and enhancement of this jurisdiction's reputation.

Managing Director, Mrs. Cindy Scotland, reported on progress towards the achievement of the Strategic Objectives outlined in the

Plan. Some of the major achievements include the establishment of the Onsite Inspection Unit and implementation of the online system, Regulatory Enhance Electronic Forms Submission (REEFS). Mrs. Scotland explained that the current strategic plan is a rolling plan, which will be reviewed and update at intervals.

The plan contains eight strategic objectives relating to internal and external stakeholders of the Authority.

Cayman Represented at RIMS 2015



DMD – Supervision, Anna McLean, and Deputy Head of the Insurance Supervision Division, Ruwan Jayasekera, represented the Authority at the 2015 annual conference of the Risk Management Society (RIMS).

Mrs. McLean and Mr. Jayasekera were part of a 30-strong Cayman delegation which travelled to New Orleans, Louisiana, for the 26-29 April conference. They also held

meetings with the directors and management of its licensees, and potential clients.

The RIMS conference is recognized as the definitive risk management and insurance event, and the largest gathering of risk managers and insurance professionals in the world.

CIMA has been attending this event in the last several years in order to maintain and to improve the jurisdiction's position as one of the world's leading captive domiciles.

Facts Box

Licence/Registration Numbers

Licences/Registrations in Effect

31 December 2014

31 March 2015

Banking and Trust

Banks

198

195

Category A

13

12

Category B

185

183

Nominee Trusts

29

28

Money Services Providers

6

6

REEFS Update

The Authority is progressing as scheduled with the Regulatory Enhanced Electronic Forms Submission system (REEFS) launched on 5 January this year. On 24 March, senior management held a meeting with members of the Information Systems Division, which is rolling out the project to exchange information with regard to issues found during the implementation process and to confirm the revisions needed to resolve the issues and enhance the overall system.

During the meeting, Head of the Information Systems Division, Chuck Thompson announced that the Fiduciary Division had been successful in having licensees set up their REEFS accounts. He added that the Insurance Division was close behind with regards to its progress.

Mr. Thompson explained the payment process, saying, "The REEFS system currently enables users to submit applications and to pay the associated fees via cheque. Until the implementation of the escrow payment system, users are able to submit forms which require payment by including the relevant cheque number and image of the cheque as an attachment with the online submission." The escrow payment system is scheduled to be implemented later this year.

A key benefit of the REEFS system is that it only allows completed forms to be submitted to the Authority with the relevant fees.

The system also utilises a myriad of user-friendly features. One such feature is the ability of industry users to track the status of their submission through the CIMA workflow. For example, a user can sign into the REEFS portal and view the status column to determine when a submission has been received

and claimed by the first point of contact in the workflow, and monitor its progression until it has been approved or rejected.

This feature also enables CIMA's management to better monitor submissions to ensure that the Authority provides efficient service to industry. The REEFS system also enables CIMA to create automated reports to sort the data contained in REEFS, to monitor payment of fees for example. Reefs utilises a reporting aspect produced by MicroStrategy, an industry leader in producing comprehensive reporting and analytics.

This added technology facilitates enhanced governance and compliance.



Systems Development Manager, Dave Bennett (backing the camera), updates senior management on REEFS and answers questions about technical issues.

GAIM Ops Cayman 2015

David Geffen, President of Geffen Advisors LLC, says three factors about the Cayman Islands which persons consider when looking to establish a hedge fund are the jurisdiction's political stability, the deep and broad expertise available and the dominant market share. Mr. Geffen also noted the Aaa3 rating by Moody's Investor Services.

He was moderator for a panel at GAIM Ops Cayman 2015, which also included Heather Smith, CIMA's Head of Investments and Securities, and Peter Huber, Global Head of Maples Fiduciary. The title of the panel was, "What happens in Cayman does not stay in Cayman: A multi-faceted review of the past year and thoughts on the future."

Mr. Huber cited the issuance of a Statement of Guidance by CIMA and the enactment of the Directors Registration and Licensing Law (DRLL) as "excellent developments" which bode well for corporate governance in the jurisdiction.

He suggested that a close watch should be kept on the creeping increased cost of establishing and maintaining a Cayman structure, so that potential investors do not consider other jurisdictions.

Ms. Smith revealed that since DRLL has come into force, the Authority has been receiving requests from other jurisdictions, not only about funds, but directors as well. So far this year, 47 such



David Geffen listens attentively as Heather Smith makes a point.

requests have been received. In 2014, the Authority undertook 16 enforcement actions, 10 of which were related to funds.

GAIM Ops is GAIM Ops Cayman is the leading operations and compliance event for the hedge fund industry. The conference was held from 26-29 April.

CIMA Participates in TV Interview with Hong Kong Crew



Deputy Managing Director – General Counsel, Langston Sibblies QC, represented the Authority in an interview with a crew from TVB

News Hong Kong in March.

Mr. Sibblies explained CIMA's primary functions and how the Authority interacts with Government and industry to ensure that the Cayman Islands is a well-regulated international financial centre.

Excerpts from the interview are expected to be part of a documentary about the Cayman Islands, which will be focusing on social and cultural issues, as well as the financial services and tourism industries.

The documentary will be aired to over 7 million viewers in Hong Kong and accessible to over 300 million households.

The crew also interviewed representatives from the Ministry of Financial Services, Commerce and Environment; Cayman Finance; and the Department of Tourism during their stay on island.

Facts Box

Licence/Registration Numbers

Licences/Registrations in Effect	31 December 2014	31 March 2015
Fiduciary Services		
Trust Companies	137	140
Unrestricted Trusts	47	50
Restricted Trusts	63	63
Nominee Trusts	27	27
Registered Private Trust Companies	95	100
Registered Controlled Subsidiaries of Trust Companies	36	32
Companies Management	96	98
Corporate Services	16	17

A Promotion in Investments & Securities Division



Senior Analyst - Investments and Supervision Division

Rhonda Livingston has been promoted from Analyst to Senior Analyst in the Investments & Securities Division, effective 1 February 2015.

Ms. Livingston is a graduate of the University of Manchester - Manchester Business School, earning the international Diploma in Compliance, Compliance and Risk Assessment, Graduate Diploma Honours Level in 2011.

In addition, she received the Graduate Diploma at Honours Level in Fund Administration, Investments and Securities in 2009. This professional qualification was issued by CLT International and accredited by the University of Manchester Business Schools.

Ms. Livingston expects to complete studies for the LLM International Business Law, International Law and Legal Studies with the University of Liverpool in 2016.

New Chief Policy and Development Officer



Chief Policy and Development Officer - Policy and Development Division

Belinda Francis was promoted to Chief Policy and Development Officer, with effect from 1 April 2015.

Ms. Francis has varied career experience, which includes financial services (both private sector and regulatory/compliance), marketing and public relations, relationship/account management, research (qualitative and quantitative), sales, tourism and event/project management.

She obtained a Master of Science in Tourism Management (with merit) from the University of Surrey in Surrey, England, in 2004, and a Bachelor of Commerce (Finance major) from Saint Mary's University in Nova Scotia, Canada, in 1996.

Ms. Francis previously worked with the Authority from 2000 to 2002. She re-joined the Authority as Senior Policy and Development Officer in January 2014.

May Deadline for Outsourcing Consultation

The Cayman Islands private sector has been invited to make submissions and comment by 11 May on the draft statement of guidance (SOG) on outsourcing issued by the Authority.

The SOG is intended to improve the regulatory framework for regulated entities, except mutual funds, that outsource key functions and activities to third parties. It will apply to all entities regulated by CIMA in the Cayman Islands, except mutual funds, and aims to improve risk management processes. The SOG represents the Authority's minimum expectations for regulated entities

and service providers.

While CIMA recognizes the benefits of outsourcing in terms of costs, efficiencies and capacity for licence holders, the Authority is concerned about the regulatory risks posed by outsourcing arrangements.

As a result of self-assessments conducted CIMA, it was concluded that processes can be strengthened in a number of risk areas with regard to the Authority's existing regulatory policy and standards set by international regulators.



Insurance Deputy Head Addresses CIAFA Seminar

The Cayman Islands Financial Advisors Association (CIAFA) facilitated a one-day seminar on 25 March. The theme was, "The Future is Today... for generations to come..." Deputy Head of the Insurance Division, Ruwan Jayasekera, presented on the State of the Cayman Islands Life Insurance Industry.

Mr. Jayasekera thanked the CIAFA for the opportunity to share insight on the life insurance market of the Cayman Islands, from the perspective of the Cayman Islands Monetary Authority. He stated, "As at 31 December 2013 (based on audited financials), life insurers reported over US\$26 million as premium, and recorded an income close to US\$13 million." He added, "These insurance companies offer their products directly as well as through intermediaries, namely insurance brokers and insurance agents. As at end of 2014, there were 41 insurance brokers and 62 insurance agents licensed by the Cayman Islands Monetary Authority."

He advised that, "It is also important that the life insurance industry move away from the 'insurance is sold not bought' approach if it is to succeed in the new world of the consumer. Clients these days, do not

want to be sold to. Instead, empowering clients to make informed decisions will be the key to success for the life insurance industry in the future."

The seminar included remarks by the President and Secretary General of CIAFA, representatives from the Bankers Association and Sagico.



Mr. Ruwan Jayasekera addressing participants

CIMA Strengthens its Supervision Capacity with Recent Staff Additions



Chief Analyst - Banking Supervision

Emille Small joined the Authority as a Chief Analyst in the Banking Supervision Division on 9 February.

Mr. Small previously worked at MaplesFS Limited, as Liquidator/Client Accountant for ten years, from March 2005 to 2014.

Prior to that, he was Trust Accountant and Auditor

at Deloitte for a period of 7 years, from June 1998 to March 2005, and Offshore Account Administrator and Payroll Administrator with Barclays Bank PLC from March 1994 to June 1996.

In 2003, Mr. Smale received a Bachelor of Science, Accounting/Finance degree from the University of South Florida in Tampa, Florida.

Senior Analyst - Banking Supervision Division

Gavin Cole joined CIMA on 9 February as a Senior Analyst in the Banking Supervision Division.

During his career, he has worked at the Financial Services Commission, Turks and Caicos Islands, as Senior Bank and Trust Officer for 3 years in the Bank & Trust Supervision Department; at the Bank of Jamaica (BOJ) for one year as Statistical Officer in Bank Supervision Division; as Bank Examiner for four years in the Bank Supervision Division

at the BOJ.

Mr. Cole also served as Assistant Accountant/Investment Analyst, at the University of Technology in Jamaica for a period of two years.

His academic qualifications include an MBA, Banking & Finance; a certificate from a Jamaica Securities Course by the Jamaica Stock Exchange; a BBA, Finance; and a diploma in Computer Studies & Management.



Senior Analyst - Banking Supervision Division

Nichole Bernard joined the Authority on 16 February as a Senior Analyst in the Banking Supervision Division

Ms. Bernard was previously employed at the Central Bank of Jamaica (BOJ) for a little over 10 years. There, she progressed from being a Junior Examiner to a Senior Examiner, and finally an Assistant Director (Examiner-In-Charge). She was responsible for the on and off-site supervision of a number of deposit-taking institutions, as well as leading/supervising a team of Junior and

Senior Examiners.

Before BOJ, Ms. Bernard was employed at the Jamaica Producers Group as a Junior Accountant, and at Deloitte & Touche Tohmatsu as a Junior Consultant.

She obtained a B.Sc. in Accounting and Management Studies (honours) in 2000, and an M.Sc. in Accounting in 2001 from the University of the West Indies, Mona Campus, Jamaica.

Chief Analyst, Onsite Inspection Unit

William "Bill" Hagan joined the Authority on 16 March, as Chief Analyst in the recently-established Onsite Inspection Unit.

Mr. Hagan is an experienced financial services professional, with experience in Canada and the Cayman Islands.

He was employed as Manager Risk Control and Financial

Forecasting at Manitoba Public Insurance in Winnipeg, from May 2013 to October 2014.

Mr. Hagan earned a Bachelor's degree from the University of Toronto, Canada.

He previously worked with the Cayman Islands Monetary Authority as Deputy Head of the Insurance Supervision Division. He served in this capacity from August 2006 to August 2012.



Re-insurance Specialist - Insurance Supervision Division

Suzanne Sadlier joined the Authority as a Reinsurance Specialist in the Insurance Supervision Division on 29 April.

Ms. Sadlier earned a Bachelor of Arts in International Insurance from the University of Limerick, Ireland. She is also a Chartered Insurer (ACII) and an AIR Certified CAT Modeler (CCM).

Over the past seven years, she has worked in the insurance industry in various claims, underwriting and regulatory positions.

Prior to her appointment at CIMA, Ms. Sadlier served with Allianz, AXA, Mitsui Sumitomo Insurance Group and, more recently, with the Central Bank of Ireland.

Deputy Governor's 5K Challenge



Staff of the Authority proved that they were up to the challenge issued by the Deputy Governor, Franz Manderson, to participate in a 5K Walk/Run on 26 April.

It was all an effort to help raise funds to assist Special Olympics Cayman Islands send a contingent to the Special Olympics World Games in Los Angeles, California, in July.

The Cayman contingent is expected to be 28 athletes and 19 support staff.

Organisers of the 5K challenge had set a target of \$20,000.

However, given the record numbers who participated, it's expected that this target would have been exceeded.

CIMA Intern Gains Work Experience

The Authority is playing its part in providing valuable work experience for young Caymanians.

Seventeen-year-old Marteca Soler-Bodden completed an internship with the Investments and Securities Division on 12 March, making her the first CIMA intern for 2015.

Ms. Soler-Bodden is in her senior year at Hope Academy. She began her internship in February, working on Mondays and Tuesdays from 2:00

p.m. to 4:30 p.m., and on Thursdays from 2:00 p.m. to 5:00 p.m.

The internship at CIMA fulfilled part of the school's graduation criteria, which require students to have sufficient work experience.

Maintaining a cumulative GPA of 3.96, Ms. Soler-Bodden says, "My favourite subject is English. In my free time, I enjoy researching and being with family."



Recycling Gains Traction at CIMA



The Authority is using the services of local providers to assist with its recycling efforts.

Under the supervision of Terrence Charles, Network and Operations Manager in the Information Systems Division, CIMA has been using recycling services for quite some time now to collect used toner and ink cartridges.

One of two companies is contacted - depending on availability - when CIMA has ink cartridges to be disposed of. These companies both also collect old written off machines for scrap metal.

Another company, which recently reinstated their recycling services for toner cartridges, was contacted for our last disposal, and

they collected over twenty toner cartridges.

When these corporate efforts are added to those of the Green Team's recycling of newspapers, small batteries, plastics and aluminium cans, and you can see that CIMA is steadily gaining in its programme to care for the natural environment.

Last year, CIMA became the first statutory authority to receive bins from the Department of Environmental Health for recycling small batteries.

Added to this are the Green Team's organisation and participation in clean-ups, then it's evident that the Authority is becoming a more environmentally-conscious organisation.

CIMA Green Team's Love Our Island Clean-up

CIMA Staff completed a roadside clean-up on Saturday, 28 February. In honour of the Month of Love, the CIMA Green Team named the project the 'Love Our Island Clean-up'.

It was the first clean-up for 2015 organised by the CIMA Green Team as part of their commitment to give back to the community.

Volunteers went to the East end of Grand Cayman and cleaned a section of the Bodden Town Road near the Queen Elizabeth II Botanic Park.

The CIMA Green Team assisted staff in completing two clean-ups in 2014 and plans to surpass that number this year. They also took part in the Chamber Earth Day Clean-up on 18 April.



Green Team prepares for the clean-up just before dawn.

JA Group Benefits From CIMA Experience

An awards ceremony was held for a group of students on 26 March at the CIMA Learning Centre. The ceremony was the culmination of the Junior Achievement (JA) programme, which the group had completed under the supervision of Authority staff who had volunteered as their JA Advisors.

The programme began in October 2014. Weekly meetings were held at CIMA.

Lead Advisor and Chief Analyst in the Banking Supervision Division, Dana Rankine said, "I am thankful that CIMA decided to sponsor a JA Group. It was a great experience and I enjoyed interacting with the students."

Some of the awards and recipients included: Most likely Entrepreneur, Dean Morales; Most Hard Working, Aryana Grant; Most Assertive, Brianna Godet; and Most Creative, Arek Archibold.



CIMA Participates in John Gray High School Careers Day



CIMA continues to take advantage of opportunities to interest young Caymanians in a career in the financial services industry.

Staff from the Authority's Human Resources (HR) Division delivered a presentation to year 9 students at their 2015 John Gray High School Careers Day in February.

Students requested to attend, based on their interest in learning about the Cayman Islands financial services industry. The Cayman Islands Bankers' Association also gave a presentation focused on the Banking industry.

In addition to discussing the role of CIMA, Chief HR Officer, Eric Webster, explained the various career opportunities within the Authority and highlighted the relevant requirements for key positions.

The Authority Provides REEFS Training For Industry

As part of the phased implementation of the Authority's online Regulatory Enhanced Electronic Forms Submission (REEFS), since the beginning of 2015, CIMA has conducted training sessions with account administrators of licensees regulated by the Authority.

REEFS is an online portal which allows licensees to make online submissions of mandatory financial returns, change requests and new licence applications. It was launched on 5 January 2015.

The training sessions have been held in the REEFS training room, which is located within CIMA's Elizabethan Square office premises. During the first sessions, staff from the Fiduciary Services and Information Systems (IS) Divisions met with industry professionals selected to receive training. The training was also an opportunity to test the system, while receiving feedback from industry in order to make any necessary updates.

The participants completed a series of tests prepared by the IS Division.

Participants were informed about the login process, adding users, enhanced security features, and various other functions available via REEFS. The group was pleased to learn of the many user-

friendly features of the system, particularly the efficient notification system and the ability of users to reset their account password without having to request a new password from the Authority. With regard to notifications, they learned that a section would be created within REEFS specifically for this purpose, in addition to an email being sent to the user's address.



Trainees get step-by-step help from staff.

Licences/Registrations in Effect	31 December 2014	31 March 2015
Insurance		
Insurance Companies	788	788
Class A	28	28
Class B	725	726
Class C	34	33
Class D	1	1
Insurance Managers	31	31
Insurance Brokers	41	41
Insurance Agents	89	59
Investments and Securities		
Mutual Funds	11,010	10,755
Registered	7,835	7,597
Master	2,685	2,676
Administered	386	379
Licensed	104	103
Mutual Fund Administrators	115	112
Full	84	82
Restricted	29	28
Exempted	2	2
Securities and Investment		
Business Law (SIBL) Licensees	39	37
Excluded Persons Under SIBL	2,314	2,142
Currency in Circulation		
Total Currency	CI\$95.5m	CI\$93.0 m
Notes	CI\$85.1m	CI\$82.5 m
Coins	CI\$10.4m	CI\$10.5 m
Note: CI\$1.00 = US\$1.20		

LOOK AHEAD

2015

Avoiding The ABCs for Cayman



One question which was raised at the GAIM Ops panel discussion on the Cayman jurisdiction was, "Will Cayman maintain its dominance as an offshore domicile of choice in the years ahead?"

Peter Huber of Maples Fiduciary said that Cayman Finance had been doing a good job of marketing and education about the jurisdiction. He was of the view that Cayman should continue to do well in years to come and, with enactment of laws to make Cayman the most attractive domicile, the jurisdiction should see an increase in market share.



However, he cautioned against the ABCs – Arrogance, Bureaucracy and Complacency.



CIMA's Head of Investments and Securities, Heather Smith, explained that the Authority is not taking the jurisdiction's fundamental attributes for granted, but is constantly reviewing what needs to be done to maintain its position.

This includes meeting with industry to hear their concerns, and enhancing technology to facilitate submissions to CIMA.