



Procedure

Issuing Notices of Decisions to Declined Applicants

1. Statement of Objectives

To set out and establish the procedures that the Authority will follow in issuing Notices of Decisions where the application for a licence or of a person applying to act as a director, shareholder, manager, senior officer and controller of a licensee has been declined. This procedure is consistent with the need for transparency and fairness on the part of the Authority, consistent with Section 6(3)(f) of the Monetary Authority Law.

2. Application

- 2.1 Where the Authority declines the application for a licence or of a person applying to act as a director, shareholder, manager, senior officer and controller of a licensed entity, no Warning Notice will be sent.
- 2.2 The purpose of issuing Notices of Decisions to declined applicants is to provide the applicant with the reasons for the decision reached.
- 2.3 Once the Authority has determined that a Notice of Decision is to be issued, such notice will:
 - (i) Be in writing;
 - (ii) State the decision taken by the Authority;



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- (iii) State the Authority's reasons to take the action to which the Decision Notice relates;
 - (iii) State the date the Authority's decision is effective.

2.4 There may be circumstances in which the Authority is unable to or determines it is inappropriate to disclose the reasons for the decision. Such situations would include:

- Information between the Authority and its professional legal advisor;
- Information which a court has directed is not to be disclosed;
- Information indicating knowledge or suspicion that the Applicant or another person is engaged in money laundering or terrorist financing activity;
- Information received from a regulatory or law enforcement authority;
- Information received on a confidential basis;
- Where the disclosure of information could adversely affect the national interest, including the national security, of the Cayman Islands; or,
- Where it is in the public interest to do so.

In these exceptional circumstances, the decision not to disclose the reasons will be approved by the Board of the Authority.

2.5 The Authority will send the Notice of Decision to:

- (i) The Applicant;
- (ii) The licensee/proposed licensee;
- (iii) The person who is acting for the licensee/Applicant.



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- 2.6 The Notice of Decision is final, subject to any statutory right to apply for reconsideration or appeal.
- 2.7 A sample Notice of Decision is attached as Appendix 1.



Appendix 1

Date:

To: [Firm or other person]

Of: [Address]

NOTICE OF DECISION

TAKE NOTICE: The Cayman Islands Monetary Authority of 80e Shedden Road, Elizabethan Square, P.O. Box 10052 APO, Grand Cayman, Cayman Islands, BWI (the “Authority”) has decided to take the following action.

ACTION

[Details of action]

REASONS

[Reasons for the Authority’s decision to take the action]

EFFECTIVE DATE OF DECISION

The Authority’s decision regarding the above action is effective [date].

Cindy Scotland (Mrs.)
Managing Director
Cayman Islands Monetary Authority