



REGULATORY PROCEDURE

Deregistration of Controlled Subsidiaries and Private Trust Companies

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List of Acronyms

BTCL	Banks and Trust Companies Law
CIMA	Cayman Islands Monetary Authority
MAL	Monetary Authority Law
PTC	Private Trust Company
PTCR	Private Trust Companies Regulations



Regulatory Procedure on Deregistration of Controlled Subsidiaries and Private Trust Companies

1. Introduction

- 1.1. This document establishes the Cayman Islands Monetary Authority's ("the Authority" or "CIMA") Procedure for deregistering controlled subsidiaries and private trust companies ("PTCs"). The Procedure should be read in conjunction with the following:
- a) Rule on Deregistration of Private Trust Companies;
 - b) Banks and Trust Companies Law ("the BTCL");
 - c) Private Trust Companies Regulations ("the PTCRS")
 - d) any other relevant laws and regulatory instruments issued by the Authority from time to time.

2. Statement of Objectives

- 2.1. The objective of this Regulatory Procedure on Deregistration of Controlled Subsidiaries and Private Trust Companies ("the Procedure") is to provide clarity and guidance on the Authority's deregistration process for controlled subsidiaries and private trust companies. The Procedure documents the conditions which ought to be met prior to applying for deregistration, the deregistration application requirements, the procedure registrants are expected to follow when applying for deregistration as well as the procedure the Authority will apply when deregistering a controlled subsidiary or a PTC.
- 2.2. The measure is consistent with the Authority's statutory objectives as prescribed in the Monetary Authority Law ("MAL"), including:
- a) to regulate and supervise financial services business carried on in or from within the Islands in accordance with this Law and the regulatory laws;
 - b) act in the best economic interests of the Islands;
 - c) promote and maintain a sound financial system in the Islands;
 - d) promote and enhance market confidence, consumer protection and the reputation of the Islands as a financial centre; and
 - e) reduce the possibility of financial services business or relevant financial business being used for the purpose of money laundering or other crime.

3. Scope of Application

- 3.1. This Procedure applies to an entity registered by the Authority:
- a) as a controlled subsidiary pursuant to BTCL; or
 - b) as a PTC pursuant to the PTCRS.



4. Definitions

- 4.1. The following definitions are provided for the purpose of this Rule:
- 4.1.1. **“Controlled Subsidiaries”** has the same meaning as in the BTCL.
 - 4.1.2. **“Private Trust Company”** has the same meaning as in the PTCRs.
 - 4.1.3. **“Registered Entity/Registrant”** means an entity registered by the Authority as a Controlled Subsidiary or a PTC pursuant to the BTCL and the PTCRs, respectively.

5. Conditions for Deregistration

- 5.1. A registered entity at the time of applying for deregistration shall provide to the Authority a Declaration signed by at least two directors, or by the sole director in cases where the entity has one director confirming the following conditions have been met:
- a) all clients/connected persons are informed of the closure or intended closure of the registered entity;
 - b) all outstanding liabilities have been settled;
 - c) all outstanding complaints against the registered entity are resolved;
 - d) there are no current, pending or threatened legal proceedings against the registered entity; and
 - e) the entity is not acting as trustee of any trusts.
- 5.2. The information presented in the Declaration must be accurate and the director(s) of the registered entity may not delegate the requirements established in 5.1 above to another party.
- 5.3. Where applications for strike-offs extend over calendar years, fees become payable for the subsequent calendar year if the requirements for deregistration have not been met in the current calendar year. As an example, if a complete application for deregistration is not submitted by December 31 in any year, then the entity is responsible for applicable fees for the subsequent year.

6. Application for Deregistration

- 6.1. An application for deregistration shall be made by the registered entity (or the agent appointed to act on behalf of the registered entity).
- 6.2. The registered entity shall submit to the Authority the following to apply for deregistration of a controlled subsidiary or a PTC:
- a) a completed License Termination/ Surrender/ Deregistration form (application form) via the Authority’s online portal, REEFS;
 - b) a Resolution signed by at least two directors, or by the sole director in cases where the entity has one director indicating the date on which the



- registered entity either ceased or will cease to carry on the business of a controlled subsidiary or PTC; and
- c) any other documents/information requested by the Authority for the purpose of assessing the application.
- 6.3. Upon submission of an application for the deregistration of a PTC; the registered entity must pay the applicable deregistration fee as prescribed in the PTCRs.
- 6.4. Where the registered entity will be dissolved; the registered entity must submit to the Authority evidence that company has been placed in voluntary liquidation and at a minimum copies of the forms filed with Registrar of Companies.
- 6.5. Where the registered entity will remain a legal entity carrying out non-licensable services; the registered entity must apply to the Registrar of Companies for a Certificate of Change of Name and submit a certified copy to the Authority, as confirmation that the entity's name will no longer entail the use of the letters "PTC" in accordance with section 6 of the PTCRs.
- 6.6. Where the registered entity has been struck off the register, a Certificate of Strike-Off evidencing the same must be submitted to the Authority.
- 6.7. The Authority may require a registrant, its registered office or agent to clarify or supplement information initially provided in the application for deregistration of a controlled subsidiary or a PTC. All required documents must be submitted to the Authority at the time an application is being made

7. Procedure for Deregistration

- 7.1. A registered entity applying for deregistration should:
- a) ensure that all the conditions as specified in section 5.1 of this Procedure are met prior to applying to the Authority to be deregistered;
- b) apply to the Authority to be deregistered by completing the application for deregistration form using the Authority's online platform REEFS and attaching the required supporting documents (see section 6.2 of this Procedure). Registrants should ensure that the application form is fully completed. Failure to do so may result in a delay in processing the application.
- 7.2. The Authority upon receipt of the application and all documents will:
- a) confirm receipt of the application;
- b) review the application for completeness and confirm that:
- 1) all outstanding regulatory fees are paid;
- 2) all outstanding obligations, including prudential filings and submissions of financial statements where applicable are met; and
- 3) the entity is in good standing with the Authority.



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- c) request any additional information required to support the assessment of the application;
 - d) provide a non-objection letter to the Registrar of Companies, stating that the entity is being deregistered;
 - e) upon approval of the deregistration application, issue a written notice to the registered entity confirming deregistration of the entity; and
 - f) publish a notice of the deregistration on its website at www.cima.ky
- 7.3 The Authority will not commence assessment of an application for deregistration until all required documentation and information is provided.



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