

CAYMAN ISLANDS



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**THE BANKS AND TRUST COMPANIES LAW
(2007 REVISION)**

**THE ALTERNATIVE FINANCIAL INSTRUMENTS REGULATIONS,
2008**

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The Governor in Cabinet, in exercise of the powers conferred by sections 5(2) and 27 of the Banks and Trust Companies Law (2007 Revision), makes the following regulations -

1. These regulations may be cited as the Alternative Financial Instruments Regulations, 2008. Citation

2. In these regulations - Definitions

“alternative financial instrument” means a transferable financial instrument that is or would be treated under international accounting standards as a financial liability of the issuer.

3. A person shall not be required to be licensed under the Law, in relation to trust business, if - Exemption from licensing requirements
 - (a) that person is acting as a trustee of a trust the only beneficial interests of which are alternative financial instruments; and
 - (b) the only beneficiaries to whom distributions can be made under the terms of that trust are the holders of those alternative financial instruments.

Made in Cabinet the 19th day of August, 2008.

Carmena Watler

Clerk of the Cabinet.