

CAYMAN ISLANDS



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

THE PRIVATE TRUST COMPANIES 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 Private Trust Companies Regulations, 2008. Citation

2. (1) In these regulations - Definitions

“connected person” has the meaning assigned to that expression in paragraph (2);

“connected trust business” means trust business in respect of trusts the contributors to the funds of which are all, in relation to each other, connected persons;

“group of companies” has the meaning assigned to that expression in section 3 of the Securities Investment Business Law (2004 Revision); and (2004 Revision)

“private trust company” means a trust company which -

- (a) is incorporated in the Islands; and
- (b) conducts no trust business other than connected trust business.

(2) For the purposes of these regulations, a person is a connected person in relation to another person if -

- (a) they are in a relationship listed in the Schedule; Schedule
- (b) one is contributing to the funds of a trust as the trustee of a trust of which the other is a contributor;
- (c) each is in a group of companies; or
- (d) one is a company and the other is a beneficial owner of shares or other ownership interests of that company or of any other company in the same group of companies.

Registered office 3. (1) A private trust company shall maintain its registered office at the office of a company that holds a Trust licence under section 6(5)(c) of the Law.

(2) A private trust company shall keep at its registered office, in relation to each relevant trust, up to date copies of the trust deed or other document containing or recording the trust, its powers and provisions, and any deed or other document varying the trust, its powers or provisions.

Exemption from licensing requirements 4. (1) A company that is a private trust company and is registered under paragraph (2), does not require a licence to carry on connected trust business.

(2) For the purposes of paragraph (1), a private trust company shall register with the Authority and, in order to be registered, shall, at the time of registration and on or before the 31st day of January every year thereafter during the continuation of the registration -

- (a) file with the Authority an annual declaration in such form as the Authority may approve, declaring -
 - (i) the name of the private trust company;
 - (ii) the names of the directors of the private trust company;
 - (iii) the name of the holder of the Trust licence providing the registered office of the private trust company;
 - (iv) that the company is a private trust company to which paragraph (1) applies; and
 - (v) that the company is in compliance with the requirements of these regulations; and
- (b) pay to the Authority an initial registration fee of three thousand five hundred dollars and thereafter an annual registration fee of three thousand dollars.

(3) A private trust company shall not file false, misleading or inaccurate information under paragraph (2)(a); and, in addition to any other penalty that may be imposed for contravention of these regulations, the Authority may cancel the registration of a company if that company files any such false, misleading or inaccurate information or fails to comply with paragraph (2)(a).

Contributions 5. A private trust company shall not in any manner solicit or receive contributions in respect of trusts of which it is trustee, from -

- (a) the public; or
- (b) persons other than those who are, in relation to each other, connected persons.

6. (1) A private trust company shall use the words “Private Trust Company” or the letters “PTC” in the name by which the company is registered under the Companies Law (2007 Revision).

Use of words “Private Trust Company”
(2007 Revision)

(2) No person, other than a private trust company shall use the words “Private Trust Company” or the letters “PTC” in the description or title under which such person is carrying on business from within the Islands, whether or not such business is carried on in the Islands.

(3) For the purposes of section 11(1)(a) and (2) of the Law, the requirement in paragraph (1) shall be deemed to be the approval of the Authority.

SCHEDULE

(regulation 2)

CONNECTED PERSONS

1. For the purposes of these regulations, the following persons constitute connected persons in relation to an individual -

- (a) spouse;
- (b) the descendants of the individual and their spouses;
- (c) parents, including step- parents;
- (d) grandparents;
- (e) parents-in-law, including step-parents-in-law;
- (f) brother, step-brother, sister, step-sister and their spouses;
- (g) spouse’s grandparents;
- (h) spouse’s brother, step-brother, sister, step-sister and their spouses and children;
- (i) parent’s brother, step-brother, sister, step-sister and their spouses;
- (j) children of the brother, step-brother, sister or step-sister of the individual’s parents, both present and future, including step-children, and their spouses; and
- (k) children of the individual’s brother, step-brother, sister or step-sister, both present and future, including step-children, and their spouses.

2. For any of the relationships listed in paragraph 1 that may be established by blood, that same relationship may also be established by adoption.

3. In paragraph 1(b), the term “descendants of the individual” means the individual’s children, the children of his children, the children of those children, and so on.

4. For the purpose of paragraph 3, the term “children” includes step-children.

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

Carmena Watler

Clerk of the Cabinet.