

CAYMAN ISLANDS



Supplement No. 1 published with Extraordinary
Gazette No. 23 dated March 15th, 2013.

**A BILL FOR A LAW TO AMEND THE COMPANIES LAW (2012
REVISION) TO DEFINE THE TERM “ALTERNATE DIRECTOR”; TO
CREATE EXEMPTIONS FROM REGISTRATION; AND FOR
INCIDENTAL AND CONNECTED PURPOSES**

THE COMPANIES (AMENDMENT) (NO 2) BILL, 2013

MEMORANDUM OF OBJECTS AND REASONS

This Bill seeks to amend the Companies Law (2012 Revision) to insert a definition for the term “alternate director” and to specify the persons exempted from registration of same.

Clause 1 of the Bill makes provision for the short title of the legislation.

Clause 2 amends section 55 of the Companies Law (2012 Revision) by inserting a subsection which defines the term “alternate director”. It also specifies the persons who are not required to be registered as alternate directors.

Clause 3 amends section 214(1)(a)(v) of the Companies Law (2012 Revision) by correcting a reference made to subsection (3) which is incorrect and should be a reference to subsection (2).

CAYMAN ISLANDS

**A BILL FOR A LAW TO AMEND THE COMPANIES LAW (2012
REVISION) TO DEFINE THE TERM “ALTERNATE DIRECTOR”; TO
CREATE EXEMPTIONS FROM REGISTRATION; AND FOR
INCIDENTAL AND CONNECTED PURPOSES**

ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Companies (Amendment) (No. 2) Law, 2013.

Short title.

2. The Companies Law (2012 Revision) is amended in section 55 as follows -

Amendment of section
55 of the Companies
Law (2012 Revision) –
list of directors to be
sent to Registrar

- (a) by renumbering the section as section 55(1); and
- (b) by inserting after section 55(1) as renumbered the following subsections -

“(2) For the purposes of subsection (1) a person shall be registered by a company as an alternate director if that person is -

- (a) appointed by a director of the company to exercise all the powers and perform all the responsibilities of that director;
 - (b) entitled to receive notice of meetings of the board of directors of the company;
 - (c) entitled to sign or execute written resolutions of the board of directors of the company; and
 - (d) considered in all respects to be a director of the company.
- (3) Subsection (2) does not apply to a person -

- (a) appointed by a director to exercise limited powers or to fulfil limited responsibilities;
- (b) appointed for a specified period that is less than ninety days;
- (c) appointed to attend a particular meeting or series of meetings or adjournments;
- (d) appointed to consider and, if approved, sign a particular written resolution or series of written resolutions of the board of directors of the company;
- (e) who is a director of the company; or
- (f) who at the time of his appointment, is the alternate of another director of the company.”.

Amendment of section 214 of the Companies Law (2012 Revision) – conversions of existing companies

3. The Companies Law (2012 Revision) is amended in section 214(1)(a)(v) by deleting the words “with subsection (3)” and substituting the words “with subsection (2)”.

Passed by the Legislative Assembly the day of , 2013.

Speaker.

Clerk of the Legislative Assembly.