

CAYMAN ISLANDS



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**A BILL FOR A LAW TO AMEND THE TRUSTS LAW (2009 REVISION)  
TO PROVIDE FOR THE RETENTION OF ACCOUNTS AND RECORDS  
FOR A MINIMUM PERIOD; AND TO PROVIDE FOR INCIDENTAL  
AND CONNECTED PURPOSES**

**THE TRUSTS (AMENDMENT) BILL, 2011**

**MEMORANDUM OF OBJECTS AND REASONS**

This Bill seeks to amend the Trusts Law (2009 Revision) to provide for the retention of accounting records for a minimum period.

Clause 1 provides the short title.

Clause 2 inserts a new provision as section 27A which requires a trustee to keep accurate accounts and records (including underlying documentation) of the trustee's trusteeship and provides for such accounts and records to be retained for a minimum of five years from the date on which they are prepared. A penalty is imposed where a trustee knowingly and willingly contravenes these requirements.

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ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Trusts (Amendment) Law, 2011.

Short title

2. The Trusts Law (2009 Revision) is amended by inserting after section 27 the following section -

Insertion of section 27A  
in Trusts Law (2009  
Revision) - accounts and  
records

“Accounts and  
records

27A. (1) A trustee shall keep or cause to be kept accurate accounts and records (including underlying documentation) of the trustee’s trusteeship appropriate to the trust and trust property.

(2) All accounts and records required to be kept under subsection (1) shall be retained for a minimum period of five years from the date on which they are prepared.

(3) A trustee who knowingly and wilfully contravenes subsection (1) or (2) shall be subject to a penalty of five thousand dollars.”.

Passed by the Legislative Assembly the            day of            , 2011.

Speaker.

Clerk of the Legislative Assembly.