

CAYMAN ISLANDS



Supplement No. 4 published with Extraordinary  
Gazette No. 98 dated 27<sup>th</sup> December, 2018

**THE LOCAL COMPANIES (CONTROL) (AMENDMENT) LAW, 2018**

**(LAW 47 OF 2018)**

**THE LOCAL COMPANIES (CONTROL) (AMENDMENT) LAW, 2018**

**ARRANGEMENT OF SECTIONS**

1. Short title and commencement
2. Amendment of section 2 of the Local Companies (Control) Law (2015 Revision) - definitions and interpretation
3. Amendment of section 4 - circumstances in which local business may be carried on
4. Amendment of section 5 - provisions to be complied with by local companies
5. Amendment of section 7 - return of shareholdings to be made before commencing business and annually
6. Amendment of section 8 - allotment and transfer of shares
7. Amendment of section 9 - directors may make enquiries
8. Amendment of section 11 - granting and revocation of licence
9. Amendment of section 14 - company to supply information relating to control
10. Amendment of section 22 - regulations
11. Amendment of section 26 - offences
12. General amendment

CAYMAN ISLANDS

Law 47 of 2018

I Assent

Martyn Roper

Governor.

Date: 21<sup>st</sup> December, 2018

**A LAW TO AMEND THE LOCAL COMPANIES (CONTROL) LAW  
(2015 REVISION) TO PROVIDE FOR EXEMPTED COMPANIES  
CARRYING ON BUSINESS IN THE ISLANDS; AND FOR  
INCIDENTAL AND CONNECTED PURPOSES**

ENACTED by the Legislature of the Cayman Islands.

1. (1) This Law may be cited as the Local Companies (Control) (Amendment) Law, 2018.

Short title and  
commencement

(2) This Law comes into force on January 1, 2019.

2. The Local Companies (Control) Law (2015 Revision), in this Law referred to as “the principal Law”, is amended in section 2(2)(f) by inserting after the words “corporation incorporated abroad” the words “where the carrying on of business, in each case, is in furtherance only of business carried on exterior to the Islands”.

Amendment of section 2  
of the Local Companies  
(Control) Law (2015  
Revision) - definitions  
and interpretation

3. The principal Law is amended in section 4(1) by repealing subsection (a) and substituting as follows -

Amendment of section 4  
- circumstances in which  
local business may be  
carried on

“(a) it is -

- (i) a local company; or
- (ii) an exempted company carrying on business in the Islands,

	which, at the relevant time, is complying with section 5 or is a wholly owned subsidiary of such a company;”.
Amendment of section 5 - provisions to be complied with by local companies	<p>4. The principal Law is amended in section 5 as follows -</p> <p>(a) in subsection (1), by inserting after the words “local company” the words “or an exempted company that is carrying on business in the Islands”; and</p> <p>(b) in subsection (2), by inserting after the words “local company” the words “or an exempted company to which this section applies”.</p>
Amendment of section 7 - return of shareholdings to be made before commencing business and annually	<p>5. The principal Law is amended in section 7 as follows -</p> <p>(a) by repealing subsection (1) and substituting as follows -</p> <p>“(1) Before any -</p> <p>(a) local company; or</p> <p>(b) exempted company that is complying with section 5(1),</p> <p>first commences business the company shall forward to the Board a return of shareholdings in the company as at the date of making the return signed by the directors of the company.”;</p> <p>(b) in subsection (2) as follows -</p> <p>(i) by inserting after the words “local company” the words “and every exempted company under subsection (1)”;</p> <p>(ii) by inserting after the words “commenced business” the words “ and for each year that it continues to carry on business,”;</p> <p>(c) in subsection (4), by inserting after the words “local company” the words “or an exempted company carrying on business in the Islands”; and</p> <p>(d) in subsection (5), by inserting after the words “local company” the words “or any exempted company carrying on business in the Islands”.</p>
Amendment of section 8 - allotment and transfer of shares	<p>6. The principal Law is amended in section 8 by inserting after the words “local company”, wherever they appear, the words “or an exempted company carrying on business in the Islands”.</p>
Amendment of section 9 - directors may make enquiries	<p>7. The principal Law is amended in section 9 by inserting after the words “local company”, wherever they appear, the words “or an exempted company carrying on business in the Islands”.</p>

8. The principal Law is amended in section 11 as follows -
- Amendment of section  
11 - granting and  
revocation of licence
- (a) in subsection (2), by deleting the words “Sections 17, 18 and 19” and substituting the words “Sections 37 and 38”; and
  - (b) by deleting the words “the Governor” and substituting the words “the Cabinet” wherever they appear.”.
9. The principal Law is amended in section 14 as follows -
- Amendment of section  
14 - company to supply  
information relating to  
control
- (a) in subsections (1) through (5) by inserting after the words “local company”, wherever they appear, the words “or exempted company carrying on business in the Islands”; and
  - (b) in subsection in subsection (6) as follows -
    - (i) by deleting the words “local company complying” and substituting the words “company complying”; and
    - (ii) by inserting after the words “local company”, wherever they appear, the words “or exempted company carrying on business in the Islands”.
10. The principal Law is amended in section 22(c) by inserting after the words “local company” the words “or an exempted company carrying on business in the Islands”.
- Amendment of section  
22 - regulations
11. The principal Law is amended in section 26 by inserting after the words “local company”, wherever they appear, the words “or an exempted company carrying on business in the Islands”.
- Amendment of section  
26 - offences
12. The principal Law is amended by deleting the words “Trade and Business Licensing Law (2007 Revision), wherever they appear, and substituting the words “Trade and Business Licensing Law (2018 Revision)”.
- General amendment

Passed by the Legislative Assembly the 17<sup>th</sup> day of December, 2018.

Dr. Hon. W. McKeeva Bush

Speaker.

Zena Merren-Chin

Clerk of the Legislative Assembly.