

CAYMAN ISLANDS



LIMITED LIABILITY COMPANIES (AMENDMENT) LAW, 2020

(Law 5 of 2020)

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LIMITED LIABILITY COMPANIES
(AMENDMENT) LAW, 2020
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CAYMAN ISLANDS

(Law 5 of 2020)

I Assent,



Martyn Roper
Governor

Date: 10th day of February, 2020

**LIMITED LIABILITY COMPANIES
(AMENDMENT) LAW, 2020**

(Law 5 of 2020)

A LAW TO AMEND THE LIMITED LIABILITY COMPANIES LAW (2020 REVISION) TO INCREASE THE EFFECTIVENESS OF THE BENEFICIAL OWNERSHIP REGIME; AND FOR INCIDENTAL AND CONNECTED PURPOSES

ENACTED by the Legislature of the Cayman Islands.

Short title and commencement

1. (1) This Law may be cited as the Limited Liability Companies (Amendment) Law, 2020.
- (2) This Law shall come into force on such date as may be appointed by Order made by the Cabinet and different dates may be appointed for different provisions of this Law and in relation to different matters.

Amendment of section 2 of the Limited Liability Companies Law (2020 Revision) - interpretation

2. The *Limited Liability Companies Law (2020 Revision)*, in this Law referred to as the “principal Law” is amended in section 2 by inserting after the definition of the word “Authority” the following definition —

“ “**Cayman Islands Stock Exchange**” means the Cayman Islands Stock Exchange Company incorporated under section 4 of the *Stock Exchange Company Law (2014 Revision)*;”.



Amendment of section 71 - application

3. The principal Law is amended in section 71(3)(a) by deleting the words “in excess of 75%” and substituting the words “seventy-five per cent or more”.

Amendment of section 73 - duty of limited liability companies to identify beneficial owners

4. The principal Law is amended in section 73(3) by deleting the words “more than 25%” wherever they appear and substituting the words “twenty-five per cent or more”.

Repeal and substitution of section 78 - duty to establish and maintain beneficial ownership register

5. The principal Law is amended by repealing section 78 and substituting the following section —

“Duty to establish and maintain beneficial ownership register

- 78.** A limited liability company to which this Part applies shall keep its beneficial ownership register at the limited liability company’s registered office.”.

Amendment of section 88 - limits on searches that may be executed

6. The principal Law is amended in section 88 as follows —
- (a) in subsection (1)(a) by deleting the words “, provided that the senior official certifies that the request meets the conditions referred to in section 262(2) of that Law”; and
 - (b) by inserting after subsection (2), the following subsection —

“(3) The competent authority may execute a search of the beneficial ownership register of a limited liability company in accordance with this Part for the purpose of verifying the accuracy of the information provided by the limited liability company.”.

Insertion of section 90A - request for additional information

7. The principal Law is amended by inserting after section 90, the following section —

“Request for additional information

- 90A.**(1) The competent authority may by notice in writing, request additional information from a limited liability company or corporate services provider for the purposes of carrying out its functions under this Part.
- (2) A limited liability company or corporate services provider which receives a notice under subsection (1) shall comply with the notice within the period and in the manner specified in the notice.



- (3) If there is a default in complying with subsection (2), the limited liability company or corporate services provider which is in default —
- (a) shall incur a penalty of five hundred dollars; and
 - (b) if the competent authority is satisfied that the default was knowingly and wilfully authorised or permitted, shall incur in addition to the penalty under paragraph (a), a penalty of one thousand dollars and a further penalty of one hundred dollars for every day during which the default continues.”.

Amendment of section 100 - failure of a limited liability company to establish or maintain beneficial ownership register

8. The principal Law is amended in section 100(1) by inserting after the words “company that knowingly” the words “and wilfully”.

Amendment of section 101 - failure to comply with notices

9. The principal Law is amended in section 101(1)(a) by inserting after the word “knowingly” the words “and wilfully”.

Amendment of section 102 - failure to provide information

10. The principal Law is amended in section 102(1)(a) by inserting after the word “knowingly” the words “and wilfully”.

Passed by the Legislative Assembly the 31st day of January, 2020.

Hon. W. McKeever Bush
Speaker

Zena Merren-Chin
Clerk of the Legislative Assembly