

**CAYMAN ISLANDS**



**Securities Investment Business Law  
(2019 Revision)**

**SECURITIES INVESTMENT BUSINESS (REGISTRATION AND  
DEREGISTRATION) REGULATIONS, 2019**

**(SL 41 of 2019)**

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## CAYMAN ISLANDS



### **Securities Investment Business Law (2019 Revision)**

## **SECURITIES INVESTMENT BUSINESS (REGISTRATION AND DEREGISTRATION) REGULATIONS, 2019 (SL 41 OF 2019)**

In exercise of the powers conferred by section 11 of the Securities Investment Business Law (2019 Revision) the Cabinet, after consultation with the Authority, makes the following Regulations —

### **Citation**

1. These Regulations may be cited as the Securities Investment Business (Registration and Deregistration) Regulations, 2019.

### **Application for registration**

2. (1) An applicant for registration as a registered person under the Law shall submit to the Authority —
  - (a) the completed application form;
  - (b) any other information requested by the Authority for the purposes of assessing the application; and
  - (c) the registration fee specified in regulation 9.
- (2) The application form for registration as a registered person under the Law, and the information to accompany the application, are set out in the Schedule and in guidance notes issued by the Authority.
- (3) The Authority may require an applicant or its registered office to clarify or supplement information initially provided in the application.

**Procedure for deregistration**

3. (1) A registered person that ceases to carry on any regulated activity listed in Schedule 2 of the Law shall apply to the Authority for deregistration in accordance with this regulation.
- (2) The applicant, prior to applying for deregistration, shall ensure that —
- (a) the relevant fees are paid;
  - (b) the applicant's required annual declarations have been submitted; and
  - (c) the applicant has no outstanding queries from, or regulatory filings with, the Authority.
- (3) The applicant shall submit to the Authority the following —
- (a) written notice of the applicant's intention to deregister in accordance with section 5(4B) of the Law;
  - (b) the fee for deregistration specified in regulation 9;
  - (c) a certified copy of the resolution of its senior officers which indicates the date on which the registered person has ceased to carry on, as a business, the relevant regulated activities listed in Schedule 2 of the Law; and
  - (d) an affidavit which shall be filed in accordance with paragraph (4).
- (4) The senior officer of the applicant shall file an affidavit for, or on behalf of, the applicant, that attests to the following —
- (a) the reason for the cessation of business;
  - (b) that, as far as the senior officer is aware, the applicant has operated in accordance with its articles or other constitutional documents;
  - (c) that all client relationships have been properly terminated or transferred to another service provider;
  - (d) that the applicant has not conducted its securities investment business and has not wound up such business in a manner that is prejudicial to its clients and creditors; and
  - (e) that the applicant intends either —
    - (i) to continue as a legal entity in the Islands;
    - (ii) to apply to be struck-off from the relevant register by the respective Registrar in the Islands; or
    - (iii) to merge with another registered person.
- (5) A registered person that ceases to carry on any regulated activity listed in Schedule 2 of the Law for any of the following reasons referred to in subparagraphs (a) to (d) shall apply for deregistration in accordance with the relevant procedure set out in regulations 4 to 9 —
- (a) the registered person is being wound up;



- (b) the registered person is being merged with another registered person;
  - (c) the registered person seeks to cancel its registration with the Authority by reason of its transfer to another jurisdiction; or
  - (d) the registered person has never carried on business.
- (6) Where an applicant submits the particulars referred to in paragraph (3)(a) to (c), the Authority shall assign “registration under termination” status, until the documents applicable to the respective reason for which the applicant ceases to carry out securities investment business are submitted to and received by the Authority.
- (7) Where an applicant is assigned “registration under termination” status and the Authority —
- (a) receives from the applicant the documents submitted in accordance with the relevant procedure referred to in paragraphs (4) and (5); and
  - (b) is satisfied that the applicant has complied with these Regulations,
- the Authority shall deregister the applicant.
- (8) In this regulation, “**properly terminated or transferred**” means, in relation to client relationships, that —
- (a) a registered person has paid money due to all clients and there are no residual cash or other assets owed or potentially owed to clients; or
  - (b) client relationships have been fully transferred to another service provider.

#### **Voluntary liquidation of a registered person**

4. A registered person that ceases to carry on securities investment business due to the commencement of voluntary liquidation of the registered person shall apply to the Authority for deregistration and shall provide the following to the Authority —
- (a) notice of voluntary winding up of the registered person (Form No. 19 of the Companies Winding Up Rules, 2018);
  - (b) voluntary liquidator’s consent to act (Form No. 20 of the Companies Winding Up Rules, 2018); and
  - (c) declaration of solvency (Form No. 21 of the Companies Winding Up Rules, 2018).

#### **Court supervised or court appointed liquidation of a registered person**

5. A registered person that ceases to carry on securities investment business due to the court supervised or appointed liquidation of the registered person shall apply for deregistration and shall provide to the Authority a certified copy of the supervision or winding up order issued by the Grand Court.

**Merger with another registered person**

6. (1) A registered person that ceases to carry on securities investment business in the Islands by reason of its intended merger with another registered person shall apply for deregistration and shall provide the following to the Authority —
- (a) an application to the Authority for prior approval of the merger which shall be accompanied by —
    - (i) resolutions of the merging and surviving parties; and
    - (ii) the plan of merger and appendices; and
  - (b) such other documents as the Authority may specify.
- (2) Where the Authority approves the application referred to in paragraph (1)(a), the surviving registered person shall, upon the merger becoming effective, provide to the Authority a certified copy of the certificate of merger within seven days of its issuance.

**Transfer to another jurisdiction**

7. (1) A registered person that ceases to carry on securities investment business in the Islands by reason of the transfer of its legal entity to another jurisdiction shall apply for deregistration in accordance with paragraph (2).
- (2) The applicant referred to in paragraph (1) shall provide to the Authority an affidavit from its senior officer that attests to the following —
- (a) the reason for the transfer and name of the jurisdiction to which the registered person is being transferred;
  - (b) that the registered person has operated in accordance with the articles or other constitutional documents of the registered person; and
  - (c) that the transfer is not prejudicial to the registered person's clients or creditors.

**Registered person that never carried on business**

8. (1) A registered person that has never carried on business as a registered person shall apply for deregistration in accordance with paragraph (2).
- (2) The applicant shall provide to the Authority an affidavit by its senior officer that attests to the fact that the registered person has never carried on such business.
- (3) In this regulation, “**registered person that has never carried on business**” means a registered person that has not commenced any client relationships contractually or otherwise for the purpose of carrying on securities investment business.





## **Fees**

9. (1) An applicant for registration as a registered person under the Law shall pay a registration fee of five thousand dollars to the Authority.
- (2) A registered person shall pay an annual fee of five thousand dollars to the Authority.
- (3) A registered person that seeks to deregister a securities investment business shall pay a deregistration fee of five hundred dollars to the Authority.

**SCHEDULE**  
**(Regulation 2(2))**

**FORM**

**APPLICATION FOR REGISTRATION AS A REGISTERED PERSON  
PURSUANT TO SECTION 5(4) OF THE SECURITIES INVESTMENT BUSINESS  
LAW (2019 REVISION)**

**INFORMATION TO BE PROVIDED IN, AND ACCOMPANY, AN APPLICATION  
FOR REGISTRATION AS A REGISTERED PERSON**

**APPLICATION NUMBER:**

**PART A – APPLICANT’S GENERAL INFORMATION**

1. Name
2. If the applicant been incorporated or established under a previous or different name, provide —
  - (a) the previous name or names; and
  - (b) provide any trading names (current and previous) under which business has been conducted.
3. Date and places of formation
4. Legal entity identifier, if available
5. Legal structure
6. Company, partnership or limited liability company registration number of the applicant
7. Provide certificate of incorporation or registration or official record of formation.



8. Identify the basis for the applicant to register under section 5(4) of the Law —
  - (a) paragraph 1 of Schedule 4 of the Law;
  - (b) paragraph 2 of Schedule 4 of the Law; or
  - (c) paragraph 3 of Schedule 4 of the Law.
9. Is the applicant conducting securities investment business overseas? If so —
  - (a) specify the date on which the applicant began conducting securities investment business; and
  - (b) specify the country or countries in which the applicant is conducting securities investment business.
10. If the applicant is registering pursuant to paragraph 3 of Schedule 4 of the Law, provide —
  - (a) the names of the countries or territories in which the applicant is conducting regulated securities investment business;
  - (b) the name of the overseas regulatory authority or authorities that regulates the applicant's overseas' securities investment business; and
  - (c) the name and title of a contact person at each overseas regulatory authority referred to in subparagraph (b).
11. If the applicant is registering pursuant to paragraph 1 of Schedule 4 of the Law, provide the following information in respect of each company within the group of companies receiving services from the applicant —
  - (a) name of company;
  - (b) principal activity;
  - (c) country of incorporation or establishment; and
  - (d) group organisation chart.
12. Confirm if the applicant provides or offers the following services —
  - (a) securities advisor;
  - (b) securities manager;
  - (c) securities arranger;
  - (d) broker dealer; or

(e) market maker.

13. Provide client list (current or proposed, if known), indicate if each client is private, professional or a market counterparty in accordance with the classifications set out in regulation 12 of the Securities Investment Business (Conduct of Business) Regulations, 2003 and specify with respect to each client which of the services in paragraph 12 are provided to each client.
14. Directors or Principals of the General Partner or Managing Members
  - (a) Title
  - (b) First name
  - (c) Last name
  - (d) Director ID
  - (e) Date of birth
  - (f) Country of birth
15. Senior Officers (excluding Money Laundering Reporting Officer, Deputy Money Laundering Reporting Officer and Anti-Money Laundering Compliance Officer)
  - (a) Title
  - (b) First name
  - (c) Last name
  - (d) Director ID
  - (e) Date of birth
  - (f) Country of birth
16. Shareholders – List all shareholders and beneficial interest holders who are natural persons
  - (a) Title
  - (b) First name
  - (c) Last name
  - (d) Director ID
  - (e) Date of birth
  - (f) Country of birth
  - (g) Percentage holding



17. Corporate Shareholders – List all corporate shareholders to the applicant, as well as the beneficial owners (including corporate beneficial owners) and the ultimate beneficial owner of each corporate entity
  - (a) Entity name
  - (b) Percentage holding
  - (c) Type of structure
  - (d) Country of incorporation
  - (e) Date of incorporation
  - (f) Ultimate beneficial owner’s full name
  - (g) CIMA ID (if applicable and known)
18. Where a corporate shareholder identified under paragraph 17 is traded as a public company on a recognised exchange, provide —
  - (a) the name of the recognised exchange; and
  - (b) the evidence of listing on the recognised exchange.
19. Where a corporate shareholder identified under paragraph 17 is not traded as a public company on a recognised exchange, confirm —
  - (a) the ultimate beneficial owner’s full name;
  - (b) the CIMA ID (if applicable and known); and
  - (c) the personal questionnaire of the ultimate beneficial owner.
20. Where the corporate shareholder identified under paragraph 17 is ultimately owned by an entity traded as a public company on a recognised exchange, the applicant shall instead confirm —
  - (a) the name of ultimate publicly traded owner;
  - (b) the name of the recognised exchange applicable to such publicly traded ultimate beneficial owner; and
  - (c) the evidence of listing of publicly traded ultimate beneficial owner.
21. Attach organisation chart where there are corporate shareholders.

**PART B - SERVICE PROVIDERS**

1. Details of each service provider to the applicant (including the applicant's registered office)
  - (a) Name of service provider
  - (b) Mailing and street address
  - (c) Phone number
  - (d) Email address
  
2. Principal contact of each service provider
  - (a) Full name of principal contact
  - (b) Position of principal contact
  - (c) Mailing and street address
  - (d) Phone number
  - (e) E-mail address



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**PART C- ANTI-MONEY LAUNDERING OFFICER**

**DETAILS OF EACH ANTI-MONEY LAUNDERING COMPLIANCE OFFICER,  
DEPUTY ANTI-MONEY LAUNDERING COMPLIANCE OFFICER (IF  
APPLICABLE), MONEY LAUNDERING REPORTING OFFICER AND DEPUTY  
MONEY LAUNDERING REPORTING OFFICER**

1. CIMA ID (if applicable and known)
2. Full name
3. Other names (aliases)
4. Mailing and street address
5. Date of birth
6. Country of birth
7. Gender
8. Occupation and job title
9. Name of employer
10. Street and mailing address of employer
11. Phone number of employer
12. Email address of employer
13. Professional qualification
  - (a) Description
  - (b) Date
  - (c) Accrediting Body
  - (d) Type
14. Attach CV or resume.

**Made in Cabinet the 22<sup>nd</sup> day of October, 2019.**

**Kim Bullings**  
*Clerk of the Cabinet*