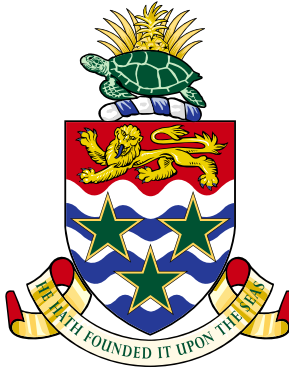


CAYMAN ISLANDS



BANKS AND TRUST COMPANIES (AMENDMENT) BILL, 2024

Supplement No. 1 published with Legislation Gazette No. 41 dated 15th November, 2024.

A BILL FOR AN ACT TO AMEND THE BANKS AND TRUST COMPANIES ACT (2021 REVISION) TO PROVIDE THAT THE APPLICATION FEE FOR THE GRANT OF A LICENCE IS NON-REFUNDABLE; AND FOR INCIDENTAL AND CONNECTED PURPOSES

PUBLISHING DETAILS

Sponsoring Ministry/Portfolio: Ministry of Financial Services and Commerce (FSC)



Memorandum of OBJECTS AND REASONS

This Bill seeks to amend the Banks and Trust Companies Act (2021 Revision) (“the principal Act”) to provide that the application fee for the grant of a licence is non-refundable.

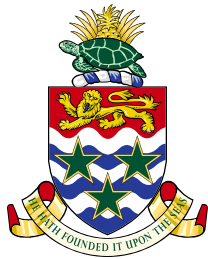
Clause 1 provides the short title and commencement of the legislation.

Clause 2 amends section 6 of the principal Act to improve on the paragraphing of the provision in keeping with modern legislative drafting practices.

Clause 3 amends section 27(1)(a) of the principal Act to adjust the cross references to section 6(1). This is as a consequence of the amendments to section 6 of the principal Act.

Clause 4 provides the transitional arrangement for applications for which a decision is pending on the day immediately preceding the commencement of this amending Act. The application fee for those applications will be refundable.

CAYMAN ISLANDS



BANKS AND TRUST COMPANIES
(AMENDMENT) BILL, 2024

Arrangement of Clauses

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CAYMAN ISLANDS

**BANKS AND TRUST COMPANIES
(AMENDMENT) BILL, 2024**

A BILL FOR AN ACT TO AMEND THE BANKS AND TRUST COMPANIES ACT (2021 REVISION) TO PROVIDE THAT THE APPLICATION FEE FOR THE GRANT OF A LICENCE IS NON-REFUNDABLE; AND FOR INCIDENTAL AND CONNECTED PURPOSES

ENACTED by the Legislature of the Cayman Islands.

Short title and commencement

- 1.** (1) This Act may be cited as the Banks and Trust Companies (Amendment) Act, 2024.
- (2) This Act comes into force on such date as may be appointed by Order made by the Cabinet.

Amendment of section 6 of the Banks and Trust Companies Act (2021 Revision) - application to be made to Authority

- 2.** The *Banks and Trust Companies Act (2021 Revision)* is amended in section 6 as follows —
 - (a) by repealing subsection (1) and substituting the following subsections —

- “(1) A person who is desirous of carrying on banking business or a company that is desirous of carrying on trust business from within the Islands shall apply to the Authority for the grant of a licence.
- (1A) An application under subsection (1) shall be —
- (a) in writing;
 - (b) accompanied by any prescribed information, particulars and details; and
 - (c) accompanied by the prescribed non-refundable application fee.
- (1B) The Authority may grant a licence to an applicant under subsection (1) if satisfied that the carrying on of the business will not be against the public interest and the licence granted may be subject to any terms and conditions the Authority considers necessary.
- (1C) The Authority shall forward the application fee to the Financial Secretary for the benefit of the revenue.”;
- (b) in subsection (5) as follows —
- (i) by deleting the words “under subsection (1)” and substituting the words “under subsection (1B)”;
 - (ii) by deleting the words “Any conditions imposed pursuant to this subsection may, at any time, be varied or revoked by the Authority.”; and
- (c) by inserting after subsection (5) the following subsection —
- “(5A) Any conditions imposed pursuant to subsection (1B) may be varied or revoked by the Authority with notification as may be reasonable under the circumstances.”.

Amendment of section 27 of the Banks and Trust Companies Act (2021 Revision) - regulations

3. The *Banks and Trust Companies Act (2021 Revision)* is amended in section 27(1)(a) by deleting the words “under section 6(1)” and substituting the words “under section 6(1A)(b), 6(1A)(c)”.



Transitional

4. Notwithstanding section 2 of this amending Act, the application fee for an application for which a decision is pending on the day immediately preceding the commencement of this amending Act shall be refundable.

Passed by the Parliament the _____ day of _____, 2024.

Speaker

Clerk of the Parliament

