

CAYMAN ISLANDS.
CLEARLY BETTER BUSINESS.

Cayman Regulatory Update



PANEL SPEAKERS

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AGENDA

- “ CIMA News and Developments
- “ CIMA and a Common Philosophy
- “ IAIS and CIMA’s International Involvement
- “ Proposed Regulatory Changes
- “ FATF - Update
- “ Regulatory Policy . Changes in Ownership and Control
- “ Beneficial Ownership Register
- “ Global Trends

CIMA NEWS AND DEVELOPMENTS

Suzanne Sadlier appointed as new Deputy Head of Insurance

- “ Brings significant reinsurance experience.
- “ Previously held the role of Reinsurance Specialist at CIMA, a role she held for two years.
- “ Responsible for managing complex license applications and providing technical advice to the Insurance Supervision Division regarding the day-to-day supervisory operations.
- “ Brings over 10 years of knowledge and experience of the insurance industry having worked in Ireland in a variety of positions within areas such as claims, underwriting and regulation. She adds significant reinsurance expertise to the team.

CIMA AND A COMMON PHILOSOPHY

- “ Committed to being the jurisdiction of choice through robust but proportionate regulation.
- “ Concerted effort to recruit additional resources is paying dividends and leading to greater efficiency.
- “ Our open door policy means we continue to meet with captive owners and board members.

IAIS AND CIMA_Q INTERNATIONAL INVOLVEMENT

- “ International Association of Insurance Supervisors (IAIS).
- “ CIMA_Q role with the IAIS and other international bodies.
- “ Importance of Cayman_Q involvement in setting International standards.

NEW & PROPOSED REGULATORY CHANGES

- “ SOG . Nature, Accessibility and Retention of Records (issued August 2017) to ensure that licensees maintain their records in a manner that promotes accessibility, retention and appropriate security.
- “ SOG . Responsibilities of Insurance Managers (issued August 2017) to stipulate the responsibilities of insurance managers and the minimum standards that should be adhered to when offering this service.
- “ Regulatory Policy . Exemption from the Audit Requirement for a Class C Insurance Company (issued May 2017) to set out conditions for exempting a Class C insurance company from the annual audit requirement.
- “ Anti-Money Laundering Regulations (AMLRs) published 2 October, 2017.
- “ New Guidance Notes to aid implementation of the new AMLRs.

PROPOSED REGULATORY CHANGES . CONd

- “ Review and update of Rule on Conduct of Business (will not affect captives but will affect open-market B(iii) insurers).
- “ This is currently in draft and probably will not be finalized and published until early 2018. It is in response to the IAIS changes to ICPs 18 (Intermediaries) and 19 (Conduct of Business).
- “ This will really affect those Class B Insurers that sell products/services to retail customers. More focus on conduct that leads to better outcomes for consumers.

FATF . UPDATE

- “ CIMA busy preparing for an assessment by the Caribbean Financial Action Task Force (CFATF) during December 2017.
- “ Revisions to Money Laundering Regulations and new Guidance Notes.
- “ CIMA ramping up focus on AML compliance and the controls licensees have in place.
- “ Licensees need to consider fraud and have fraud prevention procedures in place as part of their AML records.
- “ Regulations . Administrative Fines as a deterrent to non-compliance. CIMA will not fetter its discretion and does not plan to crack a nut with a sledgehammer.

REGULATORY POLICY . OWNERSHIP & CONTROL

- “ Regulatory Policy . Criteria for Approving Changes in Ownership and Control.
- “ Scope and application.
- “ What constitutes a change in ownership or control?
- “ Practicalities with CIMA.

BENEFICIAL OWNERSHIP REGISTER

- “ Scope and Application.
- “ Exemption for CIMA licensees.
- “ Obligation to file declaration of exemption for licensees and insurance managers.

GLOBAL TRENDS

- “ Direction of Regulation- Central Banks Policies and Tax reform.
- “ Fin Tech . Changing the way insurers do business.
- “ Cyber Security (pricing/ modeling risks).
- “ Use of Big Data.
- “ Principal Based Reserving in the Life Sector.

QUESTIONS



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