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# Regulatory Update

Caribbean – Q1 2025

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# Quick Fire Updates

## BVI UPDATES

### 1. Changes to the BVI Business Companies regime

The [BVI Business Companies \(Amendment\) Act, 2024](#) (the **Amendment Act**) and the BVI Business Companies (Amendment) Regulations, 2024 came into force on 2 January 2025, amending the BVI business companies regime. The key changes are as follows:

- every company is required to keep a register of members and, save for certain exceptions, file a copy with the BVI Registrar of Corporate Affairs (the **Registrar**);
- if applicable, a company is required to file with the Registrar certain information in relation to any 'nominee shareholder';
- every company is required to collect, keep and maintain adequate and up to date beneficial ownership information which, save for certain exceptions, must be filed with the Registrar within 30 days of incorporation or continuation into the BVI (as applicable);;
- the period within which a company's registered agent (**RA**) is required to appoint the company's first director(s) has been reduced from 6 months to 15 days;
- the initial copy of the register of directors is required to be filed with the Registrar within 15 days of appointment of the first director(s) or continuation into the BVI (as applicable);;
- an application to register a foreign company in the BVI needs to contain additional information, such as the registered office address in its country of incorporation and a list of members as at the date of application;
- the period of written notice which a foreign company's RA needs to give before resigning from that role has been increased from 30 days to 60 days;
- the conditions for restoration of struck off and dissolved companies have been streamlined to make it easier for creditors and other persons to apply to restore such companies to the Register of Companies;
- the validity of a certificate of good standing issued by the Registrar has been restricted to a specified period and will be dependent on all applicable registers and beneficial ownership information having been filed;
- an obligation has been placed on companies to cooperate with competent authorities in the performance of their statutory duties; and
- the penalties for late payment of fees or late filings have been increased, with the framework for administrative penalties now set out in tier banding depending on the severity (Tier 1 – up to \$10,000, Tier 2 - up to \$25,000, Tier 3 - up to \$50,000 and Tier 4 - up to \$75,000).

Schedule 1 of the BVI Business Companies Act (Revised 2020) (the **Companies Act**) was amended, by the [BVI Business Companies \(Amendment of Schedule 1\) Order, 2024](#) on 2 January 2025 to update or add various fees to align with the changes made by the Amendment Act.

The [BVI Business Companies \(Amendment of Schedule 1\) \(No. 2\) Order, 2024](#) additionally amended Schedule 1 at the same date to provide that:

- the fee for filing of a change in beneficial ownership information is \$75; and
- within the six month transitional period, there will be no fee for filing by an existing company for registration by the Registrar information required in relation to the register of members, register of directors and beneficial ownership.

Existing companies are required to comply with the requirements to file their register of members, nominee shareholder information (if applicable) and beneficial ownership information within six months of the Amendment Act coming into force (ie, **2 July 2025**). An existing company which has already opted to file its register of members prior to this date will not be required to file another copy of the register of members (unless the previously filed copy does not contain all of the required information).

For further details of the changes, please see our Update: [Changes to the BVI business companies regime introduced](#).

### 2. Beneficial ownership regime changes

The [BVI Business Companies and Limited Partnerships \(Beneficial Ownership\) Regulations, 2024](#) (the **BO Regulations**) came into force on 2 January 2025 to enhance the statutory framework for filing beneficial ownership information for BVI companies and limited partnerships as set out in the Companies Act and the Limited Partnership Act (Revised 2020) respectively. Beneficial ownership information for all registered BVI companies and limited partnerships will now be filed with the Registrar through the BVI Financial Services Commission (**BVI FSC**) VIRRGIN platform.

On 20 December 2024, the BVI FSC published:

- [Beneficial Ownership Regulations Guidelines](#) to provide further clarification on the requirements of the BO Regulations; and
- [Guidelines on Beneficial ownership under the AML Regulations and AMLTF Code](#) jointly with the BVI Financial Investigation Agency (**BVI FIA**) to assist Financial Institutions supervised by the BVI FSC and Designated Non-Financial Businesses and Professions (**DNFBPs**) supervised for AML/CFT purposes by the BVI FIA in understanding the requirements for collecting and maintaining beneficial ownership information under the BVI AML/CFT/CPF regime

In its [Press Release](#) dated 13 December 2024, the BVI FSC announced the establishment of a new Beneficial Ownership Unit within the Registrar with dedicated resources for the receipt and verification of all beneficial ownership transactions.

The BVI FSC have confirmed that filing of beneficial ownership information for existing entities will be at no cost until **2 July 2025**. From 2 January 2025, the fee for filing beneficial ownership information with the Registrar for newly incorporated or continued BVI companies will be \$125 and for newly registered or continued BVI limited partnerships, it will be US\$100.

The BVI FSC also published [FAQs on Beneficial Ownership Implementation](#) on 13 January 2025.

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For further details, please see our guide to [The BVI beneficial ownership regime](#).

## 3. Trustee Act - Beneficial ownership amendments

The [Trustee \(Amendment\) Act, 2024](#) came into force on 10 December 2024 to amend the Trustee Act (Revised 2020) for beneficial ownership regime purposes in alignment with the changes made to the Companies Act.

The amendments place an obligation on a 'Relevant Trustee' (see below) to:

- collect, keep and maintain beneficial ownership information in relation to trusts, which is accurate and up to date;
- take reasonable steps to verify the identities of beneficial owners and their beneficial ownership information;
- update the beneficial ownership information within 30 days of becoming aware of any change;
- maintain the beneficial ownership information for a period of at least 5 years from the date of the trust's termination; and
- cooperate with the competent authority and a law enforcement agency.

A 'Relevant Trustee' will be (a) a company incorporated in the BVI; (b) a foreign company registered under Part XI of the Companies Act; (c) an individual resident in the BVI; or (d) any other person who is a trustee of a trust administered (in whole or in part) in or from within the BVI.

The requirement to file beneficial ownership information will not apply to companies whose shares are held by a trustee licensed under the Banks and Trust Companies Act (Revised 2020) provided the company's beneficial ownership information is held by such trustee, the name of the trustee is filed with the Registrar and the beneficial ownership information can be provided by the trustee to the Registrar within 24 hours of a request.

For further information, please see our update [BVI beneficial ownership regime: application of new rules to trusts](#).

## 4. Amendments to the AML Regulations – Approval of MLRO appointments

The [Anti-money Laundering \(Amendment\) Regulations, 2024](#) (the **Amendment Regulations**) came into force on 15 October 2024 to amend the Anti-money Laundering Regulations (Revised 2020) (the **AML Regulations**) by introducing a new requirement for the appointment of a money laundering reporting officer (**MLRO**) to be approved by:

- the BVI FIA, if the relevant person is a DNFBP or non-profit organization (**NPO**) supervised by the BVI FIA; or
- the BVI FSC, if the relevant person is regulated by the BVI FSC (subject to the exemption below).

Following the Financial Services (Miscellaneous Exemptions) (Amendment) Regulations, 2024 coming into force on 15 October 2024, the licensees listed below are exempt from the requirement to apply for approval to appoint an MLRO and must instead

notify the BVI FSC of the MLRO appointment within 14 days of the appointment:

- private, professional and public funds;
- recognised foreign funds;
- private investment funds;
- incubator and approved funds; and
- approved investment managers.

The BVI FIA and BVI FSC will also have the power to suspend or withdraw the approval of an MLRO. Subject to this, any current MLRO will continue to hold office as if their appointment was approved in accordance with the Amendment Regulations.

## 5. Amendments to the AML Code – MLRO ceasing to act and group wide policies

In alignment with amendments to the AML Regulations, the [Anti-Money Laundering and Terrorist Financing \(Amendment\) Code of Practice, 2024](#) came into force on 15 October 2024 to require an entity or professional to:

- notify the BVI FIA or the BVI FSC (as applicable) within 14 days of its MLRO ceasing to act; and
- submit an application to the BVI FIA or the BVI FSC (as applicable) for the appointment of a new MLRO within 21 days after the date the MLRO ceased to hold such office.

Where an entity has three or less employees, the entity may apply for a director (or equivalent) or other senior officer of the entity to be appointed as MLRO. Additionally, where a relevant person is a professional, they may apply to be appointed as MLRO. In either case, it must be demonstrated that the individual to be appointed is appropriately qualified in accordance with the AML Regulations and can effectively carry out all the functions of an MLRO, in addition to their responsibilities as director (or equivalent) or other senior officer of the entity.

The Anti-Money Laundering and Terrorist Financing Code of Practice (Revised 2020) has also been amended to provide that the group wide policies, procedures and controls which financial groups are required to maintain (in relation to establishing internal systems and controls, effecting customer due diligence measures, record keeping requirements and employee training), must cover:

- the compliance function and review programme, together with the designation of an individual at senior management level for managing compliance;
- assessment of the competency and probity of employees at the time of recruitment and on an on-going basis;
- the provision of appropriate and periodic training, together with ongoing employee training; and
- an independent audit function that is adequately resourced to test compliance.

## 6. Counter-terrorism and proliferation financing regime amendments

The [Counter-Terrorism \(Amendment\) Act, 2024](#) came into force on 6 December 2024 to address deficiencies identified by the

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Caribbean Financial Action Task Force (CFATF) Fourth Round Mutual Evaluation Report (MER) as regards targeted financial sanctions related to terrorism and terrorist financing.

The Counter-Terrorism Act, 2021 (as revised) has been amended to clarify:

- the interpretation of the definitions of "designated terrorist entity" and "relevant Security Council resolutions";
- that the Counter-Terrorism Act only applies to terrorist financing activities and not to obligations under resolutions dealing solely with proliferation financing, unless such activity directly involves acts of terrorism or the financing of terrorism; and
- certain provisions in relation to licences at Schedule 4 (*Freezing of funds of designated persons, etc*) and add references to recklessness.

The **Proliferation Financing (Prohibition) (Amendment) Act, 2024** came into force on 2 January 2025 to amend the Proliferation Financing (Prohibition) Act, 2021 to:

- make the liability under sections 15 and 16 (in relation to prohibiting dealing in or making available, assets owned, controlled or held by or on behalf or for the benefit of a designated person or entity) a strict liability offence;
- remove the financial threshold of \$10,000 previously in section 37(1)(a) and (c) with respect to the compulsory reporting of financial transactions involving a designated country person or entity, effectively making it a requirement to report any transaction involving any amount concerning a designated country person or entity;
- place an obligation on any person who knows of any dealing or attempted dealing in an asset or the making available of an asset to make a report to the BVI FIA; and
- empower the BVI FIA to issue guidelines with respect to proliferation financing matters.

## 7. Amendments to limited partnership legislation

The **Limited Partnership (Amendment) Act, 2024** came fully into force on 2 January 2025, amending the Limited Partnership Act (Revised 2020) (the **LP Act**) to provide for:

- the filing of registers of general partners and registers of limited partners with the Registrar;
- the collection, keeping and maintaining of beneficial ownership information;
- the requirement for limited partnerships to submit annual financial returns to their registered agents;
- the modification of existing rules relating to struck off limited partnerships and restoration of de-registered limited partnerships;
- amendments to the registered office provisions to reflect one-off transactions or the termination of a business relationship;
- changes to the provisions relating to appointment and resignation of registered agents;

- amendments to the requirements for certificates of good standing which will be dependent on all applicable registers having been filed and limited to a specified validity period;
- the expansion of the framework applicable to fees and penalties; and
- the reduction of the transitional period of limited partnerships registered under the Partnership Act (Revised 2020) to be automatically re-registered under the LP Act.

The majority of these changes align for limited partnerships the equivalent amendments made for companies under the BVI business companies regime.

The **Limited Partnership (Amendment) Regulations, 2024** came into force on 10 December 2024 to amend the provisions of the Limited Partnership Regulations (Revised 2020) in relation to voluntary liquidators and certificates of good standing to align with the amendments made to the LP Act.

The amendments require a voluntary liquidator of a limited partnership to be resident in the BVI and qualified to act (with more than 2 years' experience and the relevant professional qualifications). Any liquidator appointed prior to the amendments coming into force may continue to act until the conclusion of the voluntary liquidation.

The **Financial Services (Limited Partnership Fees) (Amendment) Regulations, 2024** came fully into force on 2 January 2025 to add or amend various limited partnership filing fees and penalty amounts for late filing. The administrative penalties amounts are set out in tier banding depending on the severity (Tier 1 – up to \$10,000, Tier 2 - up to \$25,000, Tier 3 - up to \$50,000 and Tier 4 - up to \$75,000).

The **Financial Services (Limited Partnership Fees) (Amendment) (No. 2) Regulations, 2024** came into force on the same date to provide that:

- the fee for filing of a change in beneficial ownership information is \$50; and
- within the six month transitional period, there will be no fee for filing by an existing limited partnership for registration by the Registrar information in relation to the registers of general partners and limited partners and beneficial ownership.

## 8. Banks and Trust Companies (Amendment) Act 2024

The **Banks and Trust Companies (Amendment) Act, 2024** came into force on 2 January 2025 to amend the definition of 'trust business' in the Banks and Trust Companies Act (Revised 2020) by extending it to cover a trust and corporate services provider acting as or arranging for another person to act as a professional trustee, protector or administrator of a trust or settlement 'or performing the equivalent function for another form of legal arrangement'.

Additionally, if an applicant for a banking licence has made a written undertaking to provide the BVI FSC with its policy of deposit insurance issued in accordance with the Virgin Islands Deposit Insurance Act (**VIDIA**), this policy will be required to be



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provided within six months of issue of the banking licence. This is designed to ensure that domestic banks, including any new licensees, become part of the BVI's deposit insurance scheme under the VIDIA.

## 9. Insolvency (Amendment) Act 2024

The [Insolvency \(Amendment\) Act, 2024](#) came into force on 2 January 2025 to amend the Insolvency Act (Revised 2020), in line with the MER recommendations, to expand the prescribed circumstances which permit the BVI FSC to make an application for the liquidation of both incorporated companies and registered foreign companies.

In addition, the BVI FSC is empowered to make an application to appoint a liquidator where it considers such an application to be in the best interest of the financial services industry or generally to be in the public interest.

## 10. Insurance (Amendment) Act 2024

The [Insurance \(Amendment\) Act, 2024](#) came into force on 2 January 2025 to amend the Insurance Act (Revised 2020), in line with the Financial Action Task Force (FATF) Recommendation 26, to ensure that whenever a foreign insurer licensed in the BVI under the Insurance Act wishes to effect a change in the significant interest or controlling interest of that insurer, the foreign insurer must first secure the written approval of the BVI FSC. This aims to ensure that no criminal or criminal's associate can have a significant interest or controlling interest in a foreign insurer.

The amendments also require a foreign insurer to notify the BVI FSC of any other change in the interest holding of the insurer.

## 11. Securities and Investment Business Act amendments

The [Securities and Investment Business \(Amendment of Schedule 1\) Order, 2024](#) came into force on 2 January 2025 to amend Schedule 1 (*Investments*) of the Securities and Investment Business Act (Revised 2020) to include 'contracts to exchange one currency for another' (ie, foreign exchange instruments) within the definition of 'investment'.

## 12. Changes to the BVI FIA powers

The [Financial Investigation Agency \(Amendment\) Act, 2024](#) came into force on 2 January 2025 to amend the Financial Investigation Agency Act (Revised 2020) to:

- empower the BVI FIA to make certain disclosures to a foreign financial investigation agency;
- empower the BVI FIA to supervise NPOs at risk of terrorist financing abuse;
- enhance the enforcement powers of the agency; and
- prohibit persons from carrying on the business of a DNFBP without first being registered by the BVI FIA.

## 13. Amendments to BVI FSC powers proposed

The [Financial Services Commission \(Amendment\) Act, 2024](#) was published in the BVI Gazette on 7 November 2024 but is not yet in force. Once in force, it will amend the Financial Services Commission Act (Revised 2020) to, among other things, provide for:

- cooperation with, and assistance to, foreign non-regulatory authorities;
- enhancement of prescribed penalties;
- a framework for developing consumer duties;
- adoption of a risk-based approach by the BVI FSC in carrying out its supervisory responsibilities;
- broadening of the compliance mandate of the BVI FSC; and
- a duty for licensees and other specified persons to cooperate with the BVI FSC.

The Financial Services (Exceptional Circumstances) (Amendment) Bill, 2024 was gazetted on 24 December. Once enacted, the Bill will amend the Financial Services (Exceptional Circumstances) Act, 2020 by repealing sections which will have been subsumed in the Financial Services Commission (Amendment) Act, 2024.

## 14. Annual returns filing date extension

With effect from 1 September 2024, the Companies Act was also amended by the [BVI Business Companies \(Amendment\) \(No. 2\) Act, 2024](#) to empower the BVI FSC to extend the initial filing period for a company's annual return. No extension will exceed nine months.

A [Notice](#) has since been gazetted to provide a nine month extension for companies which were due to file their first annual returns by 30 September 2024. The new deadline for such companies to file their returns now ends on **30 June 2025**.

## 15. Sanctions delegation and authorisation

On 6 November 2024, a [Notice](#) made by His Excellency the Governor was published in the BVI Gazette to delegate certain powers and functions under sanctions regulations to the Attorney General or the Director of the BVI FIA and the BVI FSC Managing Director. The foregoing are also authorised to designate other officers to exercise their powers and functions.

The Attorney General is now authorised to:

- receive applications for (and information relating to) the grant or variation of a director disqualification licence, a financial sanctions licence or a trade licence to be issued by the Governor under any sanctions regulations;
- receive reports made under sanctions regulations;
- be an 'authorised officer' for the purposes of implementing, monitoring compliance with and detection of sanctions by exercising powers to request information, powers regarding general trade licences: inspection of records and powers to disclose information, and to authorise other persons to exercise those powers under their authority;

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- implement and enforce General Licences subject to the approval of the Governor and consent of the Secretary of State; and
- coordinate the publication of Overseas Territories Sanctions Orders.

The Director of the BVI FIA and the BVI FSC Managing Director are now:

- responsible for publishing lists of designated persons and designations by description, together with keeping those lists up to date; and
- empowered to determine what method(s) are to be considered appropriate for the publication of those lists.

The Director of the BVI FIA is also authorised to be an 'authorised officer' for the purpose of exercising any or all of the powers conferred by sanctions regulations and to authorise other persons to exercise any or all of those powers under their authority.

## 16. BVI FSC and BVI FIA guidance on institutional risk assessments

The BVI FSC and BVI FIA published joint [Guidance on Institutional Risk Assessments](#) on 20 December 2024, with a related [Industry Circular](#). The Guidance aims to assist financial institutions (supervised by the BVI FSC) and DNFBBPs (supervised by the BVI FIA for AML/CFT/CPF purposes) in conducting proper and effective institutional risk assessments (RAs) through the implementation of a risk-based approach. It explains why entities should carry out an institutional RA and identifies the types of risk that should be taken into consideration in determining levels of risk exposure.

The Guidance emphasises the need to develop policies and procedures to mitigate the money laundering, terrorist financing and proliferation financing risks identified as a result of the institutional RA, including risks posed by the development of new products, services, business practices, delivery mechanisms and use of new and developing technologies. These policies and procedures should include any controls that have been implemented to mitigate against these risks.

The Guidance also highlights particular events that would trigger the need to update an institutional RA and provides some key takeaways, together with a checklist of helpful questions.

## 17. BVI FSC and BVI FIA guidance on mitigating risks with introduced business relationships

The BVI FSC and BVI FIA published joint [Guidance on Mitigating Risks with Introduced Business Relationships](#) on 28 October 2024. The Guidance stems from the requirements set out in the FATF Recommendation 17 (*Reliance on Third Parties*) and is intended to assist financial institutions and DNFBBPs in mitigating the risks associated with the engagement of third-party introducers by applying a risk-based approach. It highlights the importance of complying with reporting obligations in the AML/CFT/CPF legislation.

The Guidance requires entities to understand the risks associated with the use of introduced business (including responsibility for understanding ownership and control of introduced clients) and to mitigate the risks stemming from the introducer relationship itself. It also sets out the actions to be taken where it is necessary to terminate a third-party introducer relationship.

A related [press release](#) advises financial institutions and DNFBBPs to familiarise themselves with, and apply, the Guidance (including the best practices section) when engaging with third party introducers.

## 18. BVI FSC and BVI FIA guidance on effective enhanced customer due diligence measures

The BVI FSC and BVI FIA jointly issued a [press release](#) on the publication of their [Guidance on Effective Enhanced Customer Due Diligence Measures \(CDD\)](#) on 26 November 2024.

The Guidance seeks to assist financial institutions (supervised by the BVI FSC) and DNFBBPs (supervised by the BVI FIA for AML/CFT/CPF purposes) in distinguishing between standard or low risk situations and higher risk customers and situations which require that enhanced CDD be conducted. It also aims to provide clarity on what is required of licensees to implement effective enhanced CDD procedures and controls.

## 19. BVI FSC MTR Forum Briefing

On 12 December 2024, the BVI FSC held a Meet the Regulator (MTR) Forum which covered the implementation of the new beneficial ownership regime, system upgrades to VIRRGIN, and 2025 objectives focused on compliance, security and stakeholder engagement. The presentation slides from the MTR can be found on the BVI FSC's website [here](#).

## 20. BVI FSC Newsletter: Quarter 4 of 2024

The BVI FSC published the latest edition of its [Quarterly Newsletter](#) on 20 December 2024. This edition covers:

- Beneficial ownership filing expectations
- MTR Forum discussions
- The new BVI FSC Beneficial Ownership Unit
- Dates that amendment legislation is coming into force
- Summaries of amendments to the Companies Act and the LP Act
- The new requirement for relevant entities to seek approval for MLRO appointments
- Enhanced customer due diligence
- Introduced business – relationships & risks
- An investment business guide
- Registry corner updates, including:
  - New client services contact number
  - Annual fee, penalty and strike-off dates
  - Requests to have submitted transactions rejected
  - Queries related to filing of beneficial ownership
- Authorisation and supervision division calendar of upcoming filings and deadlines.

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## 21. AML/CFT/CPF Returns requirement for VASPs

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The [Financial Services \(Prudential and Statistical Returns\) \(Amendment\) Order, 2024](#) came into force on 1 December 2024, requiring a person registered as a virtual asset services provider to complete and file an AML/CFT/CPF return with the BVI FSC by 31 March each year, with respect to the previous calendar year.

## 22. National AML/CFT/CPF policy and strategy

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The National AML/CFT Coordinating Council have published an updated [National AML/CFT/CPF Policy and Strategy for 2024-2026](#) to provide a clear and focused approach to mitigating the distinct risks associated with money laundering, terrorist financing and proliferation financing. These updates are in line with FATF Recommendation 2, which requires that AML/CFT policies be informed by regularly reviewed risk assessments.

## 23. BVI FSC 2025 Strategic Vision

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On 6 January 2025, the BVI FSC published a [Press Release](#) outlining its 2025 strategic vision, which is centred on the following six key priorities:

- innovation, including embracing the digital evolution in finance;
- enhanced risk-based supervision;
- transparency;
- compliance;
- product development; and
- stakeholder engagement.

## 24. New BVI CRS compliance form

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At a Common Reporting Standard (CRS) webinar hosted by the BVI International Tax Authority (ITA) on 27 November 2024, the ITA released a new CRS compliance form, which is expected to be made available to industry in June 2025.

BVI financial institutions (FIs) should keep an eye on this development which, in effect, introduces an additional CRS reporting obligation and when the first submission is required to be filed. In the interim, BVI FIs should ensure that they have adequate CRS compliance policies and procedures in place.

## 25. Mourant Guides and Updates

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Mourant has uploaded the following BVI Updates and Guides to our website over the last quarter:

- [Changes to the BVI business companies regime in force](#)
- [BVI Key Filing Dates 2025](#)
- [The BVI beneficial ownership regime](#)
- [BVI beneficial ownership regime: application of new rules to trusts](#)
- [Top 'take-aways' from the BVI Mourant Regulatory Conference 2024](#)
- [Continuation by a foreign company into the BVI](#)
- [Continuation by a BVI company to a foreign jurisdiction](#)
- [What a creditor needs to know about liquidating an insolvent BVI company](#)
- [Insolvency Investigations: Key search databases and contacts for IPS in foreign jurisdictions - BVI](#)

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## CAYMAN UPDATES

### 26. Annual Registry fees increased

With effect from **1 January 2025**, the General Registry fees increased annual fees for Cayman Islands entities. The key annual fee increases are set out in the table below.

Annual fee	New fee
Exempted company (with authorised share capital not exceeding US\$50,000)	US\$1,128
Registered foreign company	US\$2,012
Limited liability company	US\$1,341
Exempted limited partnership licensed or regulated under the Mutual Funds Act or registered under the Private Funds Act	US\$1,585
Exempted limited partnership not licensed or regulated	US\$2,561
Foreign limited partnership	US\$2,012

### 27. CIMA fee increases for regulated funds

With effect from **1 January 2025**, the Cayman Islands Monetary Authority (CIMA) increased certain fees. Some of the key fee increases are set out in the tables below:

Mutual funds	New fee
Annual return	US\$366 with a cap of US\$30,488 for 84 sub-funds or more
Annual registration fee	US\$4,482
Annual registration fee for a master fund	US\$3,201
Application for a mutual fund licence	US\$4,482
Annual licence fee in respect of a mutual fund licence	US\$4,482
Annual registration fee payable by a regulated mutual fund that has sub-funds, in respect of each sub-fund	US\$4,482 plus \$366 in respect of each additional sub-fund

Private funds	New fee
Annual return	US\$366 plus US\$183 for each AIV or sub-fund. The cap for a fund with 25 AIVs/sub-funds or more is removed
Annual registration fee	US\$4,482 plus \$366 for any additional AIV, segregated portfolio or exempted trust under an umbrella or master unit trust structure
Fee payable on filing the details of a change	US\$366

In addition to the fee increases details above, the Mutual Funds Act (2021 Revision) was amended to provide that the application fee for a Mutual Fund Licence will be non-refundable. The Private Funds Act (2021 Revision) was similarly amended to make the application fee for private fund registration non-refundable.

### 28. CIMA fee increases for securities investment business

Securities investment business	New fee
Registration as a registered person	US\$7,317
Annual fee	US\$7,317
Fee for deregistration	<i>Repealed</i>
Application fee for a broker dealer, securities arranger, securities manager, securities advisor or market maker	US\$1,220 – application US\$12,195 - on 1 <sup>st</sup> grant US\$12,195 - renewal
Securities arranger	US\$1,220 – application US\$6,098 - on 1 <sup>st</sup> grant US\$6,098 - renewal
If broker dealer is broker member	US\$610 – application US\$3,659 - on 1 <sup>st</sup> grant US\$3,659- renewal
Restricted licence for all types/categories of licences for regulated activity (except for a market maker or securities arranger)	US\$1,220 – application US\$6,098 - on 1 <sup>st</sup> grant US\$6,098- renewal
Licence for a broker dealer, securities manager, securities advisor or market maker where a licence is held by the applicant (or the parent of the applicant) under any other of the regulatory laws	US\$610 – application US\$5,488 - on 1 <sup>st</sup> grant US\$5,488 - renewal

The Securities Investment Business Act (2020 Revision) was also amended to:

- add or amend various definitions;
- require an applicant for a licence to specify the category or categories for which an application is being made (with different fees established for different types or categories of licences as set out above);
- set out the procedure by which the holder of a restricted licence may have certain restrictions on the holder's licence adjusted; and
- empower CIMA to exempt certain persons from registration or licensing under the legislation.

### 29. CIMA Industry Notice - 2024 and 2025 annual fee deadlines and penalties

On 15 January 2025, CIMA issued a [Notice](#) confirming that all updated CIMA and Registry fees came into effect on 1 January 2025.

On the same date, CIMA published a [second related Notice](#) providing that:

- 2024 fees must be paid by the 15 January statutory deadline and, from 16 January 2025, CIMA will begin assessing



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penalties on any of these outstanding annual fee amounts; and

- CIMA has granted an extension to **17 February 2025** for the payment of the 2025 fee changes (ie, the difference between the 2024 and 2025 fees) and, from 18 February 2025, CIMA will begin assessing penalties on outstanding annual fee change/increase amounts.

## 30. Additional increases to Registry fees

In addition to the changes to annual fees, various legislative amendments have been made to add or increase General Registry fees for Cayman Islands entities with effect from 1 January 2025. These relate mainly to administrative and express fees. A summary by entity type is set out below.

### Company fees

The Companies Act (2023 Revision) was amended to:

- allow for applications to the Registrar of Companies to reserve a specified name for a company for a period of up to four months for a fee of between US\$49 and US\$195 depending on the length of time reserved;
- provide that before the name of a company may be restored to the register, the company must pay a reinstatement fee; equivalent to twice the original incorporation/registration fee
- empower the Registrar to charge fees ranging from US\$60 to US\$610 for certain administrative services; and
- expand the list of transactions in respect of which express fees (ranging from US\$183 to US\$610) may be paid.

### Exempted limited partnership (ELP) fees

The Exempted Limited Partnership Act (2021 Revision) was amended to:

- allow for applications to the Registrar of Limited Partnerships to reserve a specified name for an ELP or foreign limited partnership for a period of up to four months for a fee of between US\$49 and US\$195;
- introduce new fees for the filing of a notice of dissolution with the Registrar and for deregistration pursuant to a partnership agreement (US\$244 and US\$183 respectively);
- empower the Registrar to charge fees ranging from US\$37 to US\$244 for certain administrative services;
- expand the list of transactions in respect of which express fees (ranging from US\$183 to US\$610) may be paid; and
- provide for payment of a prescribed administrative fee of US\$183 where a foreign limited partnership ceases to be a general partner of an exempted limited partnership.

### Limited liability companies (LLC) fees

The Limited Liability Companies Act (2023 Revision) was amended to:

- empower the Registrar of LLCs to charge a fee of US\$610 to register a plan of merger or consolidation;
- enable an exempted company to be reregistered as an LLC;
- empower the Registrar to charge a fee ranging from US\$183 to US\$1,220 for the provision of administrative services; and

- set out a statutory basis for the Registrar to provide certain express services for a prescribed fee ranging from US\$183 to US\$610.

### Partnership and limited liability partnership fees

The Partnership Act (2024 Revision) and the Limited Liability Partnership Act (2023 Revision) were similarly amended to:

- empower the Registrar to charge a fee for the provision of administrative services; and
- set out a statutory basis for the Registrar to provide certain express services for a prescribed fee.

A list of all General Registry fees can be accessed [here](#).

## 31. Additional CIMA licence fee increases

CIMA fees for licences granted under the following legislation were increased with effect from 1 January 2025:

- Banks and Trust Companies Act (2021 Revision)
- Companies Management (2024 Revision)
- Insurance Act, 2010
- Private Trust Companies Regulations (2020 Revision).

The application and annual fees for a licence to carry on money services businesses under the Money Services Act (2024 Revision) were also increased with effect from 19 December 2024.

Additionally, the Banks and Trust Companies Act (2021 Revision) and Companies Management Act (2024 Revision) were amended to provide that the application fee for the grant of a licence is non-refundable.

The Insurance Act, 2010 was similarly amended to:

- provide that the application fee for an application for a licence or for registration as a portfolio insurance company is non-refundable;
- allow for the payment of annual fees;
- amend the provisions relating to the registration of exempted companies as portfolio insurance companies; and
- validate the charging and collection of annual fees in respect of portfolio insurance companies.

For details of licence fees as at 1 January 2025, see CIMA's [Fee Schedule](#).

## 32. Monetary Authority Act amendments

In line with the changes to CIMA fees, the Monetary Authority Act (2020 Revision) was amended with effect from on 1 January 2025 to:

- permit the making of regulations prescribing the charging of fees for administrative services provided by CIMA to persons registered under any of the regulatory laws;
- allow for fees to be prescribed as non-refundable;
- repeal and replace Schedule 2 (Fees) to provide for additional non-refundable administrative services and their corresponding fees; and
- validate certain revenue collection actions of CIMA.

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## 33. FRA Advisory – Defence Against Money Laundering / Consent Regime

On 13 January 2025, the Cayman Islands Financial Reporting Authority (FRA) published an [Industry Advisory: Defence Against Money Laundering \(DAML\) / Consent Regime](#).

This Advisory notes that sections 11, 12 and 13 of the Proceeds of Crime (Amendment) Act, 2023 came into force on **2 January 2025**, meaning that in addition to filing a suspicious activity report (SAR), the amendments to sections 133, 134 and 135 of the Proceeds of Crime Act effected by the Amendment Act now require a person/entity filing a SAR to have the FRA's consent to 'commit the act'.

The FRA anticipates that draft regulations regarding the DAML / Consent Regime will be issued to industry for consultation in the near future and have issued the Advisory as guidance on how the regime will operate in the interim.

## 34. Virtual Asset (Service Providers) (Amendment) Act

The Virtual Asset (Service Providers) (Amendment) Act, 2024 was published in the Cayman Gazette on 19 December 2024 but is not yet in force.

Once in force, it will amend the Virtual Asset (Service Providers) Act (2024 Revision) to:

- add new definitions including of 'convertible virtual asset', 'financial services business' and 'originator';
- change references to 'an existing licensee' to read 'a supervised person';
- amend the point at which the fees are payable by applicants for registration or a licence;
- provide that fees payable under the act are non-refundable;
- improve the supervision of certain virtual asset activities;
- empower CIMA to publish in the Gazette a notice of lapse of licence or registration where the renewal fee remains unpaid; and
- set out the procedure for an application for a licence, registration or waiver for a supervised person who wishes to carry on virtual asset services (which is not required where the supervised person is carrying on virtual asset activities involving virtual service tokens only).

## 35. CIMA regulatory measures for VASPs

The following regulatory measures for virtual asset service providers (VASPs) were gazetted on 12 December 2024:

- [Rule - Obligations for the provision of virtual asset services - Virtual Asset Custodians and Trading Platforms](#)
- [Statement of Guidance - Guidance for the provision of virtual asset services - Virtual Asset Custodians and Virtual Asset Trading Platforms](#)

The application form for registration of a VASP was also updated by CIMA with effect from 13 December 2024. See this [Notice](#) for more detail.

## 36. Beneficial ownership – legitimate interest access and access restriction

The [Beneficial Ownership Transparency \(Access Restriction\) Regulations, 2024](#) (the **AR Regulations**) came into force on 9 December 2024. The AR Regulations set out the framework for individuals to apply for protection from public disclosure of beneficial ownership information where they believe that their association with the legal person, if disclosed, would place them (or an individual living with them) at serious risk of kidnapping, extortion, violence, intimidation or other similar danger or serious harm.

An application under the AR Regulations to prohibit disclosure of information on the search platform must be in the prescribed form and accompanied by supporting evidence, together with a fee of US\$1,220. Where an application is approved, it will have effect for three years.

The protection from public disclosure under the AR Regulations applies to the access members of the public may be granted under the [Beneficial Ownership Transparency \(Legitimate Interest Access\) Regulations, 2024](#) (the **LIA Regulations**) where they can evidence a legitimate interest. The LIA Regulations were published in the Cayman Islands Gazette on 19 December 2024 and will come into force on **28 February 2025**.

These LIA Regulations will allow members of the public, who can evidence a legitimate interest, to access certain beneficial ownership information of legal persons where evidence is provided that the legal person is linked to money laundering or terrorist financing.

Where there is no prohibition from disclosure under the AR Regulations, the competent authority may provide access to certain beneficial ownership information of a legal person to a member of the public who is:

- a person engaged in journalism or bona fide academic research;
- acting on behalf of a civil society organisation whose purpose includes the prevention or combating of money-laundering, its predicate offences or terrorism financing; or
- seeking that information in the context of a potential or actual business relationship or transaction with the legal person about whom that information is sought,

and has a legitimate interest in that information for the purpose of preventing, detecting, investigating, combating or prosecuting money laundering or its predicate offences or terrorist financing.

An application for access to information must be made via the electronic portal provided by the competent authority and journalists, academic researchers or those acting on behalf of a civil society must provide evidence:

- of their credentials and identity, and
- that the information on the search platform in relation to the legal person is sought for AML/CFT prevention purposes.

Persons seeking information for a potential or actual business relationship or transaction must confirm that fact and provide

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evidence of their identity, details of the nature of the actual or potential business relationship or transaction with the legal person and that the information on the search platform in relation to the legal person is sought for AML/CFT prevention purposes.

A fee of US\$37 (will be charged for an application in relation to one legal person and a fee of US\$122 will apply for an application in relation to more than one legal person.

Within seven days of decision, the competent authority will notify the applicant of whether the application has been approved and either provide the requested information on the search platform in writing or provide reasons in writing for the refusal.

## 37. Further beneficial ownership amendments proposed

The [Beneficial Ownership Transparency \(Amendment\) Bill 2024](#) was gazetted on 27 December 2024 to provide enhancements to ensure the sustained effectiveness of the beneficial ownership transparency legislative framework.

Once enacted, the Bill will amend the Beneficial Ownership Transparency Act, 2023 (BOTA) as follows:

- to amend the meaning of "beneficial owner" to clarify the circumstances under which a trustee or senior managing official will be identified as the contact person;
- to exempt a company that is registered as an NPO from the provisions of the BOTA;
- to clarify that the corporate services provider must establish and maintain a register in relation to the legal person that has engaged the corporate services provider, with related amendments to provide that 'adequate beneficial ownership information' is information that is sufficient to identify a registrable beneficial owner, the senior managing official or an identified trustee;
- to provide that the corporate services provider engaged by a legal person must remove the relevant entry from the legal person's beneficial ownership register where the registrable beneficial owner, senior managing official or an identified trustee is no longer functioning in the respective role; and
- to empower the competent authority to provide access to the search platform to the Customs and Border Control Service.

## 38. Economic substance amendments to align with beneficial ownership changes

The [International Tax Co-operation \(Economic Substance\) \(Amendment of Schedule\) Regulations, 2024](#) were published in the Cayman Islands Gazette on 23 December 2024 and came immediately into force.

The Regulations amend the definition of 'ultimate beneficial owner' in the International Tax Co-operation (Economic Substance) Act (2024 Revision) to align it with the definition of 'beneficial owner' in the Beneficial Ownership Transparency Act, 2023.

## 39. DITC Updates Bulletin

The Department for International Tax Cooperation (DITC) published a [November 2024 Updates Bulletin](#), which:

- provided a reminder that the deadline for filing economic substance (ES) returns and tax residency overseas (TRO) forms for the 2023 financial year was 31 December 2024 (for entities with a 31 December financial year end);
- noted that the ES notification and ES return forms have been updated, primarily to accommodate the submission of ES information for partnerships, but also with some technical changes to enhance the quality of the data reported; and
- reminded industry that ES notifications may be edited within 12 months of submission and noted that, if an ES notification requires updating after that timeframe, an ES return must be submitted.

Updated [ES Practice Points](#) were also adopted by the DITC in November 2024.

## 40. CIMA Rule and Statement of Guidance – Market Conduct for Trust and Corporate Services Providers and Company Managers

On 22 November 2024, CIMA's [Rule and Statement of Guidance – Market Conduct for Trust and Corporate Services Providers and Company Managers](#) came into effect, establishing minimum requirements and guidance for trust and corporate service providers and company managers to ensure fair treatment of clients and general protection of clients' assets and monies in relation to the business of company management and trust business.

## 41. Supervisory Circular - Complaints handling and Regulatory Expectations

On 23 October 2024, CIMA published a [Supervisory Circular](#) on complaints-handling and regulatory expectations. The Circular sets out how entities regulated by CIMA should implement and embed effective complaints-handling policies and procedures within their organisations.

## 42. Supervisory Circular - Crisis management framework

On 10 January 2025, CIMA published a [Supervisory Circular](#) on the importance of a comprehensive crisis management framework and CIMA's commitment to implementation.

The Circular underscores the importance of such a framework and outlines CIMA's commitment and plans for coordinating and executing the implementation of an appropriate framework across the financial services industry.

## 43. CIMA Regulatory Update

On 6 November 2024, CIMA published its [Regulatory Update: January to June 2024](#). The update covers legislative changes, regulatory updates, highlights from thematic reviews and industry outreach for the period, as well as upcoming initiatives and regulatory plans.

# Quick Fire Updates

## 44. Mourant Guides and Updates

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Mourant has uploaded the following Cayman Updates and Guides to our website over the last quarter:

- [Cayman Islands Key Filing Dates 2025](#)
- [Cayman Islands beneficial ownership regime – Steps guide](#)
- [The Cayman Islands beneficial ownership regime](#)
- [Mutual funds in the Cayman Islands](#)
- [Private funds in the Cayman Islands](#)
- [Investment funds in the Cayman Islands](#)
- [CRS comprehensive reviews in the Cayman Islands – How to get ahead](#)
- [Economic substance in the Cayman Islands](#)
- [Cayman Islands exempted companies - Directors' duties and liabilities](#)
- [Cayman Islands AML Training](#)

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