

# Cayman Islands



## FUNDS, PRIVATE EQUITY AND INVESTMENT VEHICLES REMINDER: 30 September Deadline for appointment of AML officers under the Cayman Islands Anti-Money Laundering Regulations

Requirement for Cayman domiciled entities carrying out “*relevant financial business*” to appoint Anti-Money Laundering Officers (**AML Officers**) pursuant to the Anti-Money Laundering Regulations (2018 Revision) (the **AML Regulations**).

Cayman entities affected include not only regulated investment funds registered with the Cayman Islands Monetary Authority (**CIMA**), but also currently unregulated closed-ended and open-ended investment funds, including private equity funds, funds or investment vehicles undertaking private debt, real estate/property and infrastructure funds and ‘Funds of One’ (or single investor structures).

As we advised in our earlier [update](#), any entity carrying out relevant financial business that was in existence prior to 1 June 2018 must comply with the AML Regulations by 30 September 2018 by designating a natural person at managerial level to act as Anti-Money Laundering Compliance Officer (**AMLCO**), Money Laundering Reporting Officer (**MLRO**) and Deputy Money Laundering Reporting Officer (**DMLRO**).

The person appointed as AMLCO can also act as MLRO or DMLRO. However, the MLRO and the DMLRO must be two different individuals. All persons appointed must have adequate and appropriate knowledge and expertise to perform the function and should demonstrate autonomy in their ability to carry out their designated function.

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## Filing obligations for CIMA regulated entities

While all relevant entities now being formed must immediately show they are appointing the above AML Officers, all entities registered with CIMA must also confirm the individual appointees' details through the Regulatory Enhanced Electronic Forms Submission (REEFS) [portal](#) via their registered office provider.

## CIMA regulated entities which are terminating

An important point to note for CIMA registered entities is that, if they apply to terminate their registration/licence by 30 September on the basis that the entity is ceasing to operate, they do not have to appoint AML Officers.

However, if after deregistration the entity is still a relevant financial business, as in the case of mutual funds which will continue as closed-ended funds, the AML Officers must still be appointed.

The timely termination of Cayman vehicles can also avoid the various 2019 filing fees.

## What to do if you are affected

Many of our clients have already appointed their AML Officers or are in the process of making these appointments. If you have not already done so, we recommend you act immediately to ensure your Cayman entities are compliant, to avoid any administrative fines or penalties being imposed by CIMA.

Under certain circumstances Marbury can assist by providing a natural person to act as either MLRO or DMLRO, who can:

- be in a position to act autonomously
- be independent
- be a point of contact for all suspicious activity reports.

Marbury can also assist with updating documentation, and the adoption and implementation of an AML framework in your organisation.

## Marbury Fund Services

No matter how much fund management experience you have, when you're running your own investment management venture you want to focus on portfolio management, performance and investors. Marbury's experienced professionals can help with the initial fund and team set-up, and provide ongoing administrative support.

We collaborate with Investment Managers to grow their businesses and guide them through the ever-increasing complexities associated with regulatory change and the associated operational requirements.

For more information please liaise with your usual Marbury contact or [info@marburys.com](mailto:info@marburys.com).