A BILL FOR A LAW TO AMEND THE BANKS AND TRUST COMPANIES LAW (2009 REVISION) TO PROVIDE FOR ANNUAL FEES FOR LICENSEES PROVIDING REGISTERED OFFICES; AND FOR INCIDENTAL AND CONNECTED PURPOSES
THE BANKS AND TRUST COMPANIES (AMENDMENT) (NO. 2) BILL, 2012

MEMORANDUM OF OBJECTS AND REASONS

This Bill seeks to amend the Banks and Trust Companies Law (2009 Revision) to provide for annual fees for licensees providing registered office services.

Clause 1 provides for the short title to the Bill.

Clause 2 provides for the insertion of section 15A to provide for the annual fees payable by Trust licensees who provide registered office services under the principal Law.
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Enacted by the Legislature of the Cayman Islands.

1. This Law may be cited as the Banks and Trust Companies (Amendment) (No. 2) Law, 2012.

2. The Banks and Trust Companies Law (2009 Revision) is amended by inserting after section 15, the following section -

   15A.(1) A licensee holding a Trust licence shall pay the prescribed fee for each company for which the licensee provided a registered office up to the 31st day of December in the preceding year.

   (2) Subsection (1) shall not apply to a company over which the licensee has power by virtue of the articles of association of the company -

       (a) to appoint or remove unilaterally the directors of the company; or
       (b) through a chain of one or more
companies, to procure the appointment or removal unilaterally of the directors of the company.

(3) Every Trust licensee shall, on or before every 15th day of January, pay the annual fee referred to in subsection (1) for the benefit of the revenue and, unless the Authority waives the annual fee, there shall be payable by a licensee who fails to pay the annual fee by that date a surcharge not exceeding one-twelfth of that fee for every month or part of a month that the fee is not paid, such surcharge being for the benefit of the revenue.

(4) Where the annual fee is not paid on or before the 15th day of January, the unpaid annual fee may be sued for by the Crown by action as a civil debt and the Crown may require, and the court may order, the payment of any penalties accrued in respect of the late payment of the fee.”.

Passed by the Legislative Assembly the day of , 2012.

Speaker.

Clerk of the Legislative Assembly.