A BILL FOR A LAW TO TO AMEND THE TRADE AND BUSINESS LICENSING LAW (2019 REVISION) TO PROVIDE FOR NEW REQUIREMENTS IN RESPECT OF AN APPLICANT WHO IS A DNFBP OR WHO INTENDS TO CARRY ON DNFBP BUSINESS; TO PROVIDE FOR THE BOARD TO SUSPEND OR REVOKE A LICENCE WHERE IT RECEIVES A NOTICE FROM A SUPERVISORY AUTHORITY; TO CREATE THE NEW LICENCE CATEGORIES OF PROPERTY INVESTOR AND DEALER IN PRECIOUS METALS AND STONES; AND FOR INCIDENTAL AND CONNECTED PURPOSES
PUBLISHING DETAILS

Sponsoring Ministry/Portfolio: Ministry of Commerce, Planning and Infrastructure (CPI)
Memorandum of
OBJECTS AND REASONS

This Bill seeks to amend the Trade and Business Licensing Law (2019 Revision) (the “principal Law”) to provide that an applicant for a licence, or renewal of a licence, who is a DNFBP or who intends to carry out business as a DNFBP must produce evidence of registration with the relevant Supervisory Authority as a condition for the grant or renewal of a licence. It also provides for the suspension or revocation of a licence where the Board receives a notice from a Supervisory Authority pursuant to regulation 55J of the Anti-Money Laundering Regulations (2018 Revision). The Bill also introduces the new licence categories of property investor and dealers in precious metals and stones.

Clause 1 of the Bill provides the short title of the legislation.

Clause 2 of the Bill amends section 2 of the principal Law to provide for the definitions of DNFBP, property investment and Supervisory Authority.

Clause 3 of the Bill amends section 3 of the principal Law to provide that a person who buys or sells no more than two parcels of land within a twelve month period will not need a licence under the Law.

Clause 4 of the Bill amends section 18 of the principal Law and provides that an applicant for licence or renewal of a licence, who is a DNFBP or intends to carry out DNFBP business, must provide evidence with its application that it has registered with the relevant Supervisory Authority. Clause 4 also amends section 18 of the principal Law for the fit and proper test to apply to an applicant.

Clause 5 of the Bill amends section 19 of the Law and provides that the grant or renewal of a licence can be restricted where an applicant is a DNFBP and is not registered or has its registration cancelled by the relevant Supervisory Authority.

Clause 6 of the Bill amends section 29 of the principal Law and provides that the Board shall suspend or revoke a licence where it receives a notice pursuant to 55J Anti-Money Laundering Regulations (2018 Revision) from a Supervisory Authority.

Clause 7 of the Bill amends Schedule 1 Part B of the principal Law and provides for the new licence categories of property investor and dealer in precious metals and stones.
CAYMAN ISLANDS

TRADE AND BUSINESS LICENSING (AMENDMENT) BILL, 2019

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CAYMAN ISLANDS

TRADE AND BUSINESS LICENSING (AMENDMENT) BILL, 2019

A BILL FOR A LAW TO TO AMEND THE TRADE AND BUSINESS LICENSING LAW (2019 REVISION) TO PROVIDE FOR NEW REQUIREMENTS IN RESPECT OF AN APPLICANT WHO IS A DNFBP OR WHO INTENDS TO CARRY ON DNFBP BUSINESS; TO PROVIDE FOR THE BOARD TO SUSPEND OR REVOKE A LICENCE WHERE IT RECEIVES A NOTICE FROM A SUPERVISORY AUTHORITY; TO CREATE THE NEW LICENCE CATEGORIES OF PROPERTY INVESTOR AND DEALER IN PRECIOUS METALS AND STONES; AND FOR INCIDENTAL AND CONNECTED PURPOSES

ENACTED by the Legislature of the Cayman Islands.

Short title
1. This Law may be cited as the Trade and Business Licensing (Amendment) Law, 2019.

Amendment of section 2 of the Trade and Business Licensing Law (2019 Revision) - interpretation
2. The Trade and Business Licensing Law (2019 Revision), in this Law referred to as the “principal Law”, is amended in section 2 by inserting in the appropriate alphabetical sequence, the following definitions —

"
“DNFBP” has the meaning given in section 2(1) of the Anti-Money Laundering Regulations (2018 Revision);

“property investment” means the business of dealing in land including the sale, purchase of land or interests in land; and

“Supervisory Authority” has the meaning given in section 2(1) of the Anti-Money Laundering Regulations (2018 Revision); “.

Amendment of section 3 of the principal Law - application

3. The principal Law is amended in section 3 as follows —
   (a) in paragraph (d) by deleting the word “or”;
   (b) in paragraph (e) by deleting the full stop and substituting the words “; or”; and
   (c) by inserting after paragraph (e) the following paragraph —

“(f) a person —
   (i) being the owner of land, who sells no more than two parcels of land; or
   (ii) who purchases no more than two parcels of land, not including the residence of that person, in a twelve month period.”.

Amendment of section 18 of the principal Law - application for grant or renewal of a licence

4. The principal Law is amended in section 18 as follows —
   (a) in subsection (2) by inserting after paragraph (d) the following paragraph —

“(da) if applicable, evidence of the registration with the relevant Supervisory Authority where the applicant is a DNFBP or intends to carry out business as a DNFBP;” ; and

   (b) in subsection (6) by inserting after the word “procedures” the words “, including a fit and proper test,”.

Amendment of section 19 of the principal Law - restriction on grant or renewal of a licence

5. The principal Law is amended in section 19 as follows —
   (a) in subsection (1)(a) —

   (i) in subparagraph (v) by deleting the full stop and substituting the words “; or”; and
   (ii) by inserting after subparagraph (v) the following subparagraph —
“(vi) is a DNFBP or intends to carry on business as a DNFBP and —
   (A) is not registered with; or
   (B) has had its registration cancelled by, the relevant Supervisory Authority;”; and

(b) in subsection (1A)(b) by deleting the words “and labour relations” and substituting the words “, labour relations, anti-money laundering and counter terrorist and proliferation financing”.

Amendment of section 29 of the principal Law - suspension or revocation of licence

6. The principal Law is amended in section 29 by inserting after subsection (1) the following subsection —

“(1A) The Board shall, where the licensee is a DNFBP or carrying out business as a DNFBP, upon receipt of a notice pursuant to regulation 55J of the Anti-Money Laundering Regulations (2018 Revision) suspend or revoke a licence.”.

Amendment of Schedule 1 Part B of the principal Law - Fees

7. The principal Law is amended in Part B of Schedule 1 —

(a) under the heading “Professional - Category of Trade and Business” by inserting after item 9 the following item —

“9A. Property investor being a person engaged in the business of dealing in land including the sale or purchase of land or interest in land”; and
(b) under the heading “Trades and Technical - Category of Trade and Business” by inserting after item 17 the following item —

“17A.Dealer in Precious Metals and Stones being a person who buys or sells precious metals, precious stones or jewellery, in the course of its business activities —

for a business with 800 square feet or less of selling area —

for a business with 801-1200 square feet of selling area —

for a business with 1201-1500 square feet of selling area —

for a business with 1501-2000 square feet of selling area —

for a business with 2001-4000 square feet of selling area —

for a business with more than 4000 square feet of selling area —

$200

$450

$1200

$2000

$3000

$4000  ”.

Passed by the Legislative Assembly the day of , 2019

Speaker

Clerk of the Legislative Assembly