

Companies (Amendment) Law, 2019

Service area / [Corporate](#)

Location / [Cayman Islands](#)

Date / [September 2019](#)

On 8 August 2019 the Companies (Amendment) Law, 2019 (**the “Amendment”**) was published to amend the Companies Law (2018 Revision) of the Cayman Islands. The Amendment forms part of a set of measures that have been adopted following the Caribbean Financial Action Task Force assessment of the Cayman Islands’ anti-money laundering and counter-financing of terrorism regime conducted in March 2019. The Amendment introduces new requirements concerning how certain information in respect of a Cayman Islands exempted company (a **“company”**) needs to be maintained, filed and disclosed. The key changes can be summarised as follows:

[Register of directors and officers](#)

[Filing deadline](#)

The period within which any change to a company’s directors or officers must be notified to the Registrar has been reduced from 60 days to 30 days from the change taking place. The Cayman Islands Registrar of Companies has confirmed that penalties for non-compliance with the new 30-day period will not be imposed for any notifications made prior to 6 September 2019 (provided the notification is made within 60 days from the relevant change).

[Availability for inspection](#)

One section of the Amendment that has not yet come into force provides inspection rights regarding the names of directors and alternate directors. That section requires the Registrar of Companies to provide a list of the names of the current directors and alternate directors of a company for inspection by any person upon payment by such person of a fee of CI\$50/US\$61 (per inspection). It is not yet known when this amendment will come into effect.

[Register of members](#)

Every company’s register of members will now need to include details of whether each category of shares held by a shareholder carry voting rights in the company, and if so, whether such voting rights only arise in certain circumstances. Companies incorporated after 8 August 2019 are required to comply with this requirement from 8 November 2019, whilst companies incorporated on or prior to 8 August 2019 are required to comply from 8 February 2020.

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Register of beneficial ownership

With immediate effect, the penalties for failure to comply with the beneficial ownership register requirements have been increased, as follows:

- Failure to establish or maintain a beneficial ownership register:
 - **1st Offence:** CI\$25,000 (US\$31,000)
 - **2nd Offence:** CI\$100,000 (US\$122,000)
 - **3rd Offence:** the company may be struck off by order of the court
- The penalties that can be imposed on beneficial owners, registrable persons and others for failure to comply with certain notices from a company in respect of beneficial ownership information or failure to comply with certain other obligations to provide such information have been changed:
 - **On conviction on indictment, 1st Offence:** CI\$25,000 (US\$31,000)
 - **On conviction on indictment, 2nd or Subsequent Offence:** CI\$50,000 (US\$61,000) and/or two years' imprisonment

Disclosure of Information

The Amendment requires the Registrar of Companies to disclose information relating to a company "required to discharge any function or exercise any power" under certain laws listed in the Amendment. Such disclosure would be made to and upon request from the Anti-Corruption Commission, the Cayman Islands Monetary Authority, the Financial Crimes Unit of the Royal Cayman Islands Police Service, the Financial Reporting Authority, the Tax Information Authority and certain other 'competent authorities'. The Registrar will need to provide the information within forty-eight hours of a request from any such body.

It should be noted that the Limited Liability Companies (Amendment) Law, 2019 and the Limited Liability Partnerships Law (Amendment) Law, 2019 have also been passed, which amend their respective principal laws in a similar manner to the Amendment.

Please contact your usual Carey Olsen attorney contact if you require further information or advice on any of the changes above.

Key contacts

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