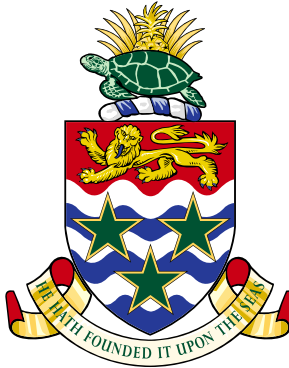


CAYMAN ISLANDS



**PRIVATE FUNDS (AMENDMENT) BILL,
2020**

Supplement No. 1 published with Legislation Gazette No. 43 dated 5th June, 2020.

A BILL FOR A LAW TO AMEND THE PRIVATE FUNDS LAW, 2020 TO REQUIRE THAT CONFLICTS OF INTEREST ARISING IN RELATION TO VALUATION, SAFEKEEPING OF FUND ASSETS AND CASH MONITORING ARE MANAGED AND MONITORED; TO REMOVE THE POWER OF CABINET TO EXEMPT PERSONS OR BUSINESSES FROM THE APPLICATION OF THE LAW; AND FOR INCIDENTAL AND CONNECTED PURPOSES

PUBLISHING DETAILS

Sponsoring Ministry/Portfolio: Ministry of Financial Services and Home Affairs (FSHA)



Memorandum of OBJECTS AND REASONS

This Bill seeks to amend the Private Funds Law, 2020 (the “principal Law”) to require that conflicts of interest arising in relation to valuation, safekeeping of fund assets and cash monitoring are managed and monitored; to remove the power of Cabinet to exempt persons or businesses from the application of the Law and to provide for incidental and connected purposes.

Clause 1 provides the short title of the legislation.

Clause 2 amends sections 16, 17 and 18 of the principal Law by inserting a requirement for conflicts of interest in relation to valuation, safekeeping of fund assets and cash monitoring to be managed and monitored.

Clause 3 amends section 31 of the principal Law by repealing subsection (1)(d) to remove the power to exempt any person or class of persons or business or class of business from any provisions of that Law.

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ENACTED by the Legislature of the Cayman Islands.

Short title

1. This Law may be cited as the Private Funds (Amendment) Law, 2020.

Amendment of the Private Funds Law, 2020 - section 16 - valuation, section 17 - safekeeping of fund assets and section 18 - cash monitoring

2. The *Private Funds Law, 2020* is amended in sections 16(4)(b)(ii), 17(4)(b)(ii) and 18(1)(b)(ii) by inserting after the word “identified”, where it appears in those sections, the words “, managed, monitored”.

Amendment of section 31 of the Private Funds Law, 2020 - regulations

3. The *Private Funds Law, 2020* is amended in section 31 by repealing subsection (1)(d).

Passed by the Legislative Assembly the day of , 2020.

Speaker

Clerk of the Legislative Assembly

