



**CAYMAN ISLANDS
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT
ELECTRONIC VERSION**

2012/13 SESSION

29 August 2012

Sixth Sitting of the First Meeting

(pages 211–230)

**Hon Mary J Lawrence, MBE, JP
Speaker**

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PRESENT WERE:

THE SPEAKER

Hon Mary J Lawrence, MBE, JP.
Speaker of the Legislative Assembly

MINISTERS OF THE CABINET

Hon W McKeeva Bush, OBE, JP, MLA	<i>The Premier</i> , Minister of Finance, Tourism and Development
Hon Rolston M Anglin, JP, MLA	Minister of Education, Training and Employment
Hon Michael T Adam, MBE, JP, MLA	Minister of Community Affairs, Gender and Housing
Hon J Mark P Scotland, JP, MLA	Minister of Health, Environment, Youth, Sports and Culture

OFFICIAL MEMBERS OF THE CABINET

Hon Jennifer M Ahearn	Temporary <i>Deputy Governor</i> , Member responsible for Internal and External Affairs and the Civil Service
Hon Samuel Bulgin, QC, JP	Attorney General, Member responsible for Legal Affairs

ELECTED MEMBERS

GOVERNMENT BACKBENCHERS

Hon Cline A Glidden, Jr, MLA	<i>Deputy Speaker</i> , Third Elected Member for West Bay
Capt A Eugene Ebanks, JP, MLA	Fourth Elected Member for West Bay
Mr Ellio A Solomon, MLA	Fourth Elected Member for George Town
Mr Dwayne S Seymour, MLA	Third Elected Member for Bodden Town

OPPOSITION MEMBERS

Hon Alden M McLaughlin, MBE, JP, MLA	<i>Leader of the Opposition</i> , Third Elected Member for George Town
Hon D Kurt Tibbetts, OBE, JP, MLA	First Elected Member for George Town
Mr Anthony S Eden, OBE, JP, MLA	Second Elected Member for Bodden Town
Mr V Arden McLean, JP, MLA	Elected Member for East End

INDEPENDENT MEMBER

Mr D Ezzard Miller, JP, MLA	Elected Member for North Side
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ABSENT

Hon Juliana Y O'Connor-Connolly, JP, MLA	<i>The Deputy Premier</i> , Minister of District Administration, Works, Lands and Agriculture
Mr Moses I Kirkconnell, JP, MLA	First Elected Member for Cayman Brac and Little Cayman

OFFICIAL HANSARD REPORT
STATE OPENING 2012/13 SESSION
WEDNESDAY
29 AUGUST 2012
3.15 PM
Sixth Sitting

The Speaker: I call on the Deputy Speaker to read Prayers this afternoon.

PRAYERS

Hon. Cline A. Glidden, Jr., Third Elected Member for West Bay: Let us pray: *Almighty God, from whom all wisdom and power are derived: We beseech Thee so to direct and prosper the deliberations of the Legislative Assembly now assembled, that all things may be ordered upon the best and surest foundations for the glory of Thy Name and for the safety, honour and welfare of the people of these Islands.*

Bless our Sovereign Lady, Queen Elizabeth II; Philip, Duke of Edinburgh; Charles, Prince of Wales; and all the Royal Family. Give grace to all who exercise authority in our Commonwealth, that peace and happiness, truth and justice, religion and piety may be established among us. Especially we pray for the Governor of our Islands, the Speaker of the Legislative Assembly, Official Members and Ministers of Cabinet and Members of the Legislative Assembly, that we may be enabled faithfully to perform the responsible duties of our high office. All this we ask for Thy great Name's sake.

Let us say The Lord's Prayer together: *Our Father, who art in Heaven, Hallowed be Thy Name. Thy Kingdom come, Thy will be done on earth as it is in Heaven. Give us this day our daily bread, and forgive us our trespasses, as we forgive those who trespass against us. Lead us not into temptation, but deliver us from evil. For Thine is the Kingdom, the power and the glory, forever and ever. Amen.*

The Lord bless us and keep us. The Lord make His face shine upon us and be gracious unto us. The Lord lift up the light of His countenance upon us and give us peace, now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed.

**READING BY THE HONOURABLE
SPEAKER OF MESSAGES
AND ANNOUNCEMENTS**

The Speaker: I have no messages or announcements.

**PRESENTATION OF PAPERS
AND OF REPORTS**

Report of the Standing Finance Committee on the Appropriation (July 2012 to June 2013) Bill, 2012

The Speaker: Honourable Premier, [Minister of Finance, Tourism and Development, Chairman of the Standing Finance Committee.]

The Premier, Hon. W. McKeever Bush: Thank you, Madam Speaker. I beg to lay on the Table the [Report of the Chairman of the Standing Finance Committee on the Appropriation \(July 2012 to June 2013\) Bill, 2012.](#)

The Speaker: So ordered.

Does the Honourable Premier wish to speak thereon?

The Premier, Hon. W. McKeever Bush: Thank you, Madam Speaker.

In accordance with the provisions of Standing Order 64(7), Standing Finance Committee agreed that I submit to this honourable House the Report of the Committee on the Appropriation [(July 2012 to June 2013)] Bill, [2012].

The Committee first met on Thursday, 23rd August; Friday, 24th August; Monday, 27th August; and Tuesday, 28th August 2012. Additionally, the Committee also met earlier today to review and approve the Report that has just been tabled.

The Committee met to consider the items shown in the Schedule to the Appropriation Bill. The Committee considered the Schedule of the Bill and agreed to the Appropriations requested thereon. Some amendments were made to the items in the Schedule to the Bill and the changes made to operating expenditures resulted in a net decrease to operating expenditures of approximately \$1.8 million.

Changes were also made to Capital Expenditures and Equity Investments, but the net effect of the increases and decreases was zero, so there was no overall change to total Capital Expenditures and Equity Investments. The amendments are detailed in the Report that has just been laid on the Table. As the proceedings of the Committee have been broadcast publicly, there is no need for me to detail further the deliberations of the Finance Committee in respect of the Appropriation (July 2012 to June 2013) Bill, 2012. Thank you, Madam Speaker.

The Speaker: Thank you, Honourable Premier.

STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

The Speaker: Honourable Premier.

Government Financial Support of Churches

The Premier, Hon. W. McKeeva Bush: Madam Speaker, I am called upon to make this statement in regard to the Nation Building and its involvement with the churches.

Madam Speaker, despite the criticism that we have heard about this Government financially supporting churches, working with and supporting churches in the community is nothing new. I did so in the past when I was in Government as a Member of Executive Council, and then as a Member of Cabinet. And so did the last Government, the PPM. But now the leader of the PPM and the two independent MLAs are so overly critical of the Nation Building Fund financially supporting churches with construction of buildings that can also serve as hurricane shelters. This is so contradictory of the leader of the PPM, the Leader of the Opposition, and the independent Members.

Madam Speaker, in a letter dated 24 April 2009, the then Deputy Chief Secretary wrote to Pastor Winston Rose, saying (and I quote): **“The Cayman Islands government remains committed to supporting the efforts of your church to build a new church hall in Bodden Town to the standards and specifications that will allow the facility to serve as a Category ‘A’ hurricane shelter . . .”**

Madam Speaker, I am going to lay that letter on the Table of this honourable House.

The Speaker: So ordered.

The Premier, Hon. W. McKeeva Bush: But I want to take the time also, Madam Speaker, while I have quoted it in the statement, to read the letter in full. If you don't have one, Madam Speaker, I do have a copy.

The Speaker: I have a copy.

The Premier, Hon. W. McKeeva Bush: Madam Speaker, this letter was written on 24 April 2009, to **“Pastor Winston Rose, Church of God in the Cayman Islands—Bodden Town, P.O. Box 172 KY1-1601.”** And it is entitled **“PROPOSED NEW CHURCH HALL, Government Financial Assistance.”**

“I refer to the meeting between your good self, two of your congregants, Mr. McCleary Frederick, Deputy Director, HMCI and myself on Thursday, 09th April 2009 in my offices and wish to confirm the following points:

“The Cayman Islands government (CIG) remains committed to supporting the efforts of your church to build a new church hall in Bodden Town to standards and specifications that will allow the facility to serve as a Category ‘A’ hurricane shelter, i.e., capable of accommodating persons during the passage of a major hurricane.

“We had previously indicated to you that CIG would consider funding up to 25% of the cost of such a facility on the basis that there are additional costs in providing a building of this standard and for this purpose rather than one which would simply be expected to survive a severe hurricane.

“Both the cost estimate provided by a firm engaged by yourselves and that provided by PWD have set the additional cost of upgrading the building at more than 25%. In any case, in order for this funding to be made available for you, the government will have to make a specific budgetary provision for the purpose of the '09/'10 budget, preparation for which is expected to get underway very soon after the upcoming 20th May general election.

“We discussed that there will undoubtedly be fierce competition for the resources available for disbursement by the government. In turn, it should not be expected that the government will be willing to commit its scarce resources unless there is confidence that your institution has access to the counterpart funds.

“Accordingly, and on the basis that the overall cost of the project is likely to be of the order of \$3.5 –\$4.0M, we agreed that:

“–You would seek to secure access to \$2.5– \$2.75M by the beginning of June 2009; and

“–We would, armed with this assurance, seek to have the government appropriate \$1.0–\$1.25M in its '09/'10 Budget.

“Yours sincerely, Donovan Ebanks, Deputy Chief Secretary and Chief Officer, Portfolio of Internal and External Affairs.”

And this was copied to the Hon. Kurt Tibbetts, Leader of Government Business; the Hon. A. Eden, Minister of Health; Hon. C. Clifford, Minister of Tourism; and Mr. McCleary Frederick, Deputy Director HMCI.

Madam Speaker, this is the letter that was sent to the church, and I lay that correspondence on the Table of this honourable House.

After stating the terms agreed to, as we have just heard, the letter concludes by saying, **“We would, armed with this assurance, seek to have the Government appropriate \$1 million to \$1.25 million in its '09/'10 Budget.”** Madam Speaker, we know that that Budget could not do that at that time so we had to do it in stages.

But the very people they promised just before the election in 2009 is the church we are assisting

today, and the one that is being criticised by the three Members, the Leader of the Opposition, the Member for East End, and, in particular, the Member for North Side. Madam Speaker, before anyone says, *Oh, that was the Deputy Chief Secretary writing that*, you can rest assured, Madam Speaker, that it was a political arm of the Government then, which happened to be the PPM, that appropriated any money. However, now that they are not the Government, they changed their position. If it was appropriate for the PPM Government to give funds to churches in 2009 for the purposes we stated, it must be appropriate for the UDP Government to give churches funds for similar projects and programmes in 2012 if and when funds are available.

The Speaker: Thank you, Mr. Premier.

GOVERNMENT BUSINESS

BILLS

REPORT ON BILL

Appropriation (July 2012 to June, 2013) Bill, 2012

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Thank you.

Madam Speaker, I think I need to report that a Bill entitled the Appropriation (July 2012 to June, 2013) Bill, 2012, was considered by the Standing Finance Committee and passed with amendments. I think since it is a Bill I have to do that as a Report. And then Madam Speaker, I am supposed to Report that a Bill entitled The Appropriation (July 2012 to June, 2013) Bill, 2012, was considered by the Standing Finance Committee and passed with amendments.

Thank you, Madam Speaker.

THIRD READING

Appropriation (July 2012 to June, 2013) Bill, 2012

The Premier, Hon. W. McKeever Bush: So, Madam Speaker, I beg to move then that a Bill entitled the Appropriation (July 2012 to June, 2013) Bill, 2012, be given a Third Reading and passed.

The Speaker: The question is that a Bill entitled the Appropriation (July 2012 to June, 2013) Bill, 2012, be given a Third Reading and passed.

All those in favour please say Aye. Those against, No.
Ayes.

The Speaker: The Ayes have it.

Agreed: The Appropriation (July 2012 to June 2013) Bill, 2012, given a Third Reading and passed.

BILLS

FIRST READINGS

Insurance (Amendment) Bill, 2012

The Clerk: The Insurance (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

National Pensions Bill, 2012

The Clerk: The National Pensions Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Judicature (Amendment) Bill, 2012

The Clerk: The Judicature (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Director of Public Prosecutions (Miscellaneous Amendments) Bill, 2012

The Clerk: The Director of Public Prosecutions (Miscellaneous Amendments) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Supplementary Appropriation (July 2011 to June 2012) Bill, 2012

The Clerk: The Supplementary Appropriation (July 2011 to June 2012) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Animals (Amendment) Bill, 2012

The Clerk: The Animals (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Attorney General's Reference of Questions Bill, 2012

The Clerk: The Attorney General's Reference of Questions Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Strata Titles Registration (Amendment) Bill, 2012

The Clerk: The Strata Titles Registration (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Maritime Authority (Amendment) Bill, 2012

The Clerk: The Maritime Authority (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Criminal Procedure Code (Amendment) Bill, 2012

The Clerk: The Criminal Procedure Code (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Penal Code (Amendment) Bill, 2012

The Clerk: The Penal Code (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Tax Information Authority (Amendment) Bill, 2012

The Clerk: The Tax Information Authority (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Suspension of Standing Order 46(1) and (2)

The Premier, Hon. W. McKeever Bush: Madam Speaker, I move for the suspension of Standing Order 46(1) and (2) to enable [the Companies (Amendment) Bill, 2012, the Banks and Trust Companies (Amendment) Bill, 2012, and the Exempted Limited Partnership (Amendment) Bill, 2012] to be given a first reading.

The Speaker: The question is that Standing Order 46(1) and (2) be suspended in order to enable the Companies (Amendment) Bill, 2012, the Banks and Trust Companies (Amendment) Bill, 2012, and the Exempted Limited Partnership (Amendment) Bill, 2012 to be given a first reading.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: Standing Order 46(1) and (2) suspended.

FIRST READINGS

Companies (Amendment) Bill, 2012

The Clerk: The Companies (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Banks and Trust Companies (Amendment) Bill, 2012

The Clerk: The Banks and Trust Companies (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Exempted Limited Partnership (Amendment) Bill, 2012

The Clerk: The Exempted Limited Partnership (Amendment) Bill, 2012.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Suspension of Standing Order 46 (4)

The Premier, Hon. W. McKeever Bush: Madam Speaker, I move for the suspension of Standing Order 46(4) to enable [the Companies (Amendment) Bill, 2012, the Banks and Trust Companies (Amendment) Bill, 2012 and the Exempted Limited Partnership (Amendment) Bill, 2012] to be given a second reading.

The Speaker: The question is the suspension of Standing Order 46(4) to enable [the Companies (Amendment) Bill, 2012, the Banks and Trust Companies (Amendment) Bill, 2012 and the Exempted Limited Partnership (Amendment) Bill, 2012] to be given a second reading.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: Standing Order 46(4) suspended.

SECOND READINGS

Companies (Amendment) Bill, 2012

The Clerk: The Companies (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeeva Bush: Thank you, Madam Speaker.

I beg to move the Second Reading of a Bill entitled the Companies (Amendment) Bill, 2012,

The Speaker: The Bill has been duly moved. Does the mover wish to speak thereto?

The Premier, Hon. W. McKeeva Bush: Thank you, Madam Speaker.

I rise to present the Bill on behalf of Government, a Bill for a Law to amend the Companies Law (2011 Revision). The Bill seeks to amend the Companies Law (2011 Revision) to update the penalty provisions and to provide for incidental and connected purposes.

In 2010, the Cayman Islands underwent its Phase 1 Peer Review by the Global Forum on Transparency and Exchange of Information for tax purposes. The subsequent report, which was published in September 2010, positively noted the high levels of transparency with respect to exchange of information in the Cayman Islands of access to information through the competent authority, the Tax Information Authority. The report also contained recommendations for the improvement of our regime. Since that time, my Government has worked to address these recommendations to achieve the high standards in transparency and exchange of tax information. I am pleased to say that our efforts were recognised just one year after the Phase 1 report in the 2011 supplementary report by the Global Forum.

Madam Speaker, the amendments before the House are to address the remaining recommendations in the Phase 1 report, which include the introduction of effective sanctions against companies that fail to comply with requirements to maintain ownership and [identity] information. To ensure availability of information for tax purposes, the Bill would make it a requirement for exempted and non-resident companies to maintain their registered office at a service provider licensed by the Cayman Islands Monetary Authority. This is not a new requirement, though, as this is already a policy of the General Registry. The amendments simply make this a matter of law.

The Bill also requires that all companies keep the following documents at their registered office: a) a register of members commencing from the date of the registration of the company; b) a register containing

the names and addresses of its directors including alternate directors and officers of the company, and books of account.

Madam Speaker, the Cayman Islands will undergo its Phase 2 assessment by the Global Forum next month. The review consists of an on-site visit to obtain evidence and therefore evaluate Cayman's overall effectiveness in exchanging requested information. The on-site visit is scheduled to take place from the 5th to 7th of September. The assessment team will include two persons from the Global Forum Secretariat, and two from Cayman's peers jurisdictions of France and South Africa.

Madam Speaker, I commend the Bill to the House and respectfully ask honourable Members to give it their support.

The Speaker: Does any other Member wish to speak?

Minister of Education?

Hon. Rolston M. Anglin: Aye.

The Speaker: Are you going to speak?

Does any other Member wish to speak? If not I'll call on the mover of the Bill to make his reply.

The Premier, Hon. W. McKeeva Bush: Madam Speaker, I thank Members for their unspoken support. I trust that all the Bills we have will find the same fate. Thank you kindly.

The Speaker: The question is that a Bill shortly entitled the Companies (Amendment) Bill, 2012, be given a second reading.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Companies (Amendment) Bill, 2012 given a second reading.

Banks and Trust Companies (Amendment) Bill, 2012

The Clerk: The Banks and Trust Companies (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeeva Bush: Thank you, Madam Speaker.

I beg to move the Second Reading of a Bill entitled the Banks and Trust Companies (Amendment) Bill, 2012.

The Speaker: The Bill has been duly moved. Does the mover wish to speak thereto?

The Premier, Hon. W. McKeever Bush: Thank you, Madam Speaker.

I am presenting this Bill on behalf of the Government, a very short Bill for a Law to amend the Banks and Trust Companies Law (2009 Revision). This Bill seeks to amend section 27 of the Banks and Trust Companies Law (2009 Revision) to provide for the Regulations to create offences punishable by a fine not exceeding \$10,000.

Madam Speaker, the amendments before this honourable House today are to facilitate amendments to the Private Trust Companies Regulations in order to address the remaining recommendations in the Phase 1 Peer Review Report by the Global Forum on Transparency and Exchange of Information for tax purposes.

The Phase 1 Report recommended that private trust companies be required to maintain relevant identity and ownership information. Cabinet will make the necessary amending Private Trust Companies Regulations when this amendment to the Banks and Trust Companies Law has taken effect.

Madam Speaker, I commend the Bill to honourable Members.

The Speaker: Thank you, Mr. Premier.

Does any other Member wish to speak? [pause] Does any other Member wish to speak? If not I'll call on the mover of the Bill to conclude his debate.

The Premier, Hon. W. McKeever Bush: Just to thank Members, Madam Speaker.

The Speaker: The question is that a Bill shortly entitled The Banks and Trust Companies (Amendment) Bill, 2012 given a second reading.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Banks and Trust Companies (Amendment) Bill, 2012 given a second reading.

Exempted Limited Partnership (Amendment) Bill, 2012

The Clerk: The Exempted Limited Partnership (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Thank you, Madam Speaker.

This Bill seeks to amend the Exempted Limited Partnership Law (2011 Revision) to update the penalty provisions and to provide for incidental and connected purposes. I rather think of this as a companion Bill to the two others we just dealt with.

The amendments before the House today are to address the remaining recommendations in Phase 1 Peer Review Reports by the Global Forum on Transparency and Exchange of Information for Tax Purposes which includes the introduction of effective sanctions against partnerships that fail to comply with requirements to maintain ownership and identity information.

Madam Speaker, the clauses in the Bill are as follows:

Clause 1 of the Bill contains the short title.

Clause 2 of the Bill amends section 10 of the principal Law which provides for changes in registered particulars to be filed with the Registrar, by increasing the penalty for default in compliance from twenty-five dollars to two hundred dollars for each day that such default continues.

Clause 3 of the Bill amends section 11 of the principal Law to increase the penalty for a default in complying with the requirement to keep a register of limited partnership interests from twenty-five dollars for each day that such default continues to ten thousand dollars.

Clause 4 of the Bill amends section 25 of the principal Law to increase the amount of per diem penalty that the Registrar may accept where a failure to comply is not due to willful default from five hundred dollars to one thousand dollars.

Madam Speaker, I seek Members' support.

The Speaker: Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause]

If not, I will call on the mover of the Bill to complete his debate.

The Premier, Hon. W. McKeever Bush: Just to thank Members, Madam Speaker.

The Speaker: The question is that a Bill shortly entitled the Exempted Limited Partnership (Amendment) Bill, 2012, be given a second reading.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Exempted Limited Partnership (Amendment) Bill, 2012, given a second reading.

Insurance (Amendment) Bill, 2012

The Clerk: The Insurance (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeeva Bush: Madam Speaker, this amending Bill provides for further savings, transitional and consequential matters, and for incidental and connected purposes for a Bill to amend the Insurance Law 2010.

Honourable Members of the House passed the Insurance Law 2010 to strengthen perceived areas identified by . . . Madam Speaker, I better, out of an abundance of caution, move for the Second Reading of a Bill entitled a Bill to amend the Insurance Law 2010.

The Speaker: The Bill has been duly moved. Does the Honourable Premier wish to speak thereto?

The Premier, Hon. W. McKeeva Bush: Madam Speaker, I can't but think often about the archaic measures we have in our Standing Orders that takes up all our time when it is so evident what we're doing, but we are trying to get them changed, I should say, and there needs to be serious changes to bring this legislature in standing with modern day practice.

Madam Speaker, I knew I was doing too well. It was real smooth sailing . . . anyway, Madam Speaker, I am not going to be tempted.

The Insurance Law was passed in 2010 to strengthen perceived areas identified by the IMF [International Monetary Fund] and other international standard setters as weaknesses in the supervision and regulation of the insurance sector in the Cayman Islands. This Law further sought to establish a framework for the development of a re-insurance industry in the Cayman Islands which will attract re-insurers from other domiciles.

Madam Speaker, the Insurance Law, 2010, enables the regulation and supervision of the Cayman Islands insurance sector to not only be in compliance with the International Association of Insurance Supervisors (IAIS) standards, and satisfy the recommendations made by the IMF, but will further enhance the regulation of external insurers, particularly given the recent problems encountered within the industry. Given the level of anticipation within the industry for this new law, as well as Government's intentions to actively promote the creation of a reinsurance industry, it is hoped that both the law and the Insurance Regulations, 2012, will come into effect as soon as possible. And, Madam Speaker, I am hoping that that will be sometime this month. Well, when I say this month, the month of September.

To this end, minor amendments to the Insurance Law, 2010, are required in order to ensure that we are able to derive the maximum benefits of the law

coming into force and that unintended consequences that have been identified have been redressed.

Under section 4(c) of the Law, which deals with licensing an issue arises with the original definition of a "company" in the event that a company wishes to transfer business to the Cayman Islands by way of continuation. This option is currently not captured under the Law, as only companies incorporated under the Companies Law (2010 Revision) would be able to qualify as a licensee. It has therefore been recommended that the Law be amended to clarify that an individual who is registered by way of continuation also be allowed to be licensed as an insurance broker, insurance manager, a class A insurer, that is a local insurer of a class D insurer.

Madam Speaker, under the Schedule of the Law, which deals with savings, transitional and consequential provisions, clarification is required to ensure that it is explicitly clear that all licensees, even those that are already in existence when the Law comes into force, must comply with the new Law. Specifically, a timeframe of 18 months and a process of complying will be included in the Schedule.

With the passage of these amendments and its necessary regulations already passed by Cabinet, we are finally in a position to commence the Insurance Law, 2010. This may have been a long road with several delays along the way, but the process reflects a true partnership with industry which has been possible because of the dedication, support, and contribution of many. We are a leading domicile for captive insurance business because of the successful partnerships to which we are all committed, and have been committed over the years so that our financial sector can continue to grow and be successful.

So, in closing, I would like to express my deep gratitude to the Cayman Islands Monetary Authority and other key stakeholders in the private sector, along with the staff within my Ministry for their faithful and diligent attendance to this matter.

Madam Speaker, of course, I want to thank the Attorney General and his staff for bringing us thus far with the legislation. So, this is yet another landmark piece of legislation that enables the Cayman Islands to offer a wider range of business opportunity to people who want to do business in the Cayman Islands, or are doing business in the Cayman Islands, and, Madam Speaker, we must continue to be so open. We must continue to be so, let's say, daring in the face of so many challenges. But that we have been over the years. And we have been successful.

For those that say that we weren't going anywhere with it, just wait and see.

The Speaker: Thank you, Mr. Premier.

Does any other Member wish to speak?
[pause] Does any other Member wish to speak?
[pause] Does any other Member wish to speak?
[pause]

If not, I will call on the Honourable Premier to exercise his right of reply.

The Premier, Hon. W. McKeever Bush: Just to thank Members, Madam Speaker.

The Speaker: Thank you.

The question is that a Bill shortly entitled the Insurance (Amendment) Bill, 2012, be given a second reading.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Insurance (Amendment) Bill, 2012 given a second reading.

Strata Titles Registration (Amendment) Bill, 2012

The Clerk: The Strata Titles Registration (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I do rise to move the Second Reading of a Bill entitled, A Bill for a Law to amend the Strata Titles Registration Law (2005 Revision) in order to change the types of resolutions which may be made under the Law; to empower the corporation to purchase additional property for the strata; to provide for the voluntary destruction of a building in a strata; and for other and connected purposes.

The Speaker: The Bill has been duly moved. Does the mover wish to speak thereto?

The Premier, Hon. W. McKeever Bush: Madam Speaker, this Bill does not fall directly under my Ministry and the work on this Bill was done by the Deputy Premier who is absent today and couldn't be here because she's on Ministry business elsewhere. But as a Government, it is again, I think, a very noble piece of legislation that is going to work for the benefit of the Islands in hopefully the medium and longer-term, if not short.

As Members of this honourable House are no doubt aware, the Cayman Islands are overdue for wholesale reform of its strata legislation. Since first enacted in 1973, the Strata Titles Registration Law has governed the creation, regulation, and administration of strata developments in the Islands. Strata complexes are now commonplace and as part of the real estate sector have become a major contributor to the economy and prosperity of the Islands.

Madam Speaker, I am advised that modern industry experience is that the Law needs urgent and comprehensive overhaul. The Law Reform Commission has been undertaking a comprehensive review of the Strata Titles Registration Law since 2006, and it is understood a revised and wide-ranging appropriate Bill is close to going out for public consultation in the near future. Understandably, patience with the slow pace of reform has frustrated many stakeholders faced with the downturn of the property market. There has been increased pressure from the private sector to fast-track certain key reforms to enable the Cayman Islands industry to remain competitive.

Madam Speaker, there are five proposed amendments which have been identified as key, straightforward, and urgently required, representing the minimum level of initial amendments to make the Law more agile and responsive to modern property development, industry-investor needs, and its practices. These amendments will complement the Law Reform Commission's pending wholesale reforms.

Firstly, the current requirement for unanimous resolutions by proprietors of strata lots prevents proprietors from being flexible in any realistic or meaningful way. It supports the majority to the tyranny of one. In many cases an overwhelming majority can have the strata's wishes frustrated by a single proprietor, or even a proprietor that cannot be located, a proprietor who is disgruntled in some form or another and doesn't want things to change and perhaps loses himself when the time comes for a vote. I've seen it happen, Madam Speaker.

As a long-time realtor I have seen the frustration of the industry in this matter. And let me say, not only for large developers, small developments now, small apartment developments . . . you see the frustration in some of it.

This rigidity, Madam Speaker, originally intended to protect proprietors' interests in realty makes any dealings with the registered strata plan, at best, unwieldy. Disposition or acquisition of common property changing a proposed strata lot development plan during the course of a phased development granting or accepting easements or restrictive agreements all currently require a unanimous resolution. To allow the system of strata governance some flexibility and to permit an overwhelming majority of proprietors to direct the strata on such matters whilst still being cognisant of the inherent democracy encapsulated in a strata, it is proposed that the voting requirements be graduated in residential and commercial strata. This will allow for more democratic resolution of certain situations and events.

The proposed 90 per cent supermajority in residential strata would provide ample protection to minority interests whilst denying individuals the ability to defeat the wishes of the majority. In non-residential strata it is proposed for practical purposes that voting structures be somewhat similar to the Companies Law

requirements for an ordinary resolution, more than 50 per cent; and for a special resolution, not less than 66 per cent. I put emphasis on that because I have had questions about it.

In the draft Bill the definitions delete the requirement for unanimous resolutions where appearing, and inserts new definitions that will provide for three levels of voting in each of commercial and residential strata developments. Ordinary resolutions requiring a minimum of 50 per cent support will remain unchanged, but unanimous resolutions will be replaced by special resolutions and super-majority resolutions. For residential strata these two new resolutions will require, respectively, thresholds of not less than 75 per cent and 90 per cent support. For commercial strata, the figures are 66 per cent and 75 per cent.

Secondly, two often strata and the overwhelming majority of the proprietors have been frustrated by not being able to acquire or lease property that they deemed to be in the strata's best interest. This proposal merely makes it plain in the principal Law that the strata shall, going forward have that right upon a special resolution as defined.

And thirdly, the proposed amendment gives strata lot proprietors, through the strata, the flexibility to determine for themselves, whether parts of the common property should be demolished for reasons outside that of catastrophic damage or failure, rather than requiring the strata to make an expensive application to the Grand Court for a declaration of same. The right of the Grand Court to be asked to make such a declaration, presumably on the application of the minority, remains preserved.

Fourthly, at the moment the principal Law is silent on precisely when the creation of strata lots occurs. This proposed amendment crystallises the formal creation of strata lots and thus the commencement of the respective rights and liabilities flowing therefrom. Commercial strata, particularly hotels and resort strata, are expensive to undertake profitably and require long lead times to construct, commission and furnish between mobilisation, strata registration and completion. Security of establishment of strata lots and earlier stages of development allow more efficient development of funding.

And finally, Madam Speaker, this proposed amendment gives the proprietors through the strata the flexibility to determine for themselves whether, on a super-majority resolution, to execute an easement or a restrictive agreement burdening the parcel on which the strata plan is registered or upon the lower threshold of a special resolution to accept an easement or a restrictive agreement benefitting the parcel on which the strata plan is registered.

That, Madam Speaker, is a summary of the amendments contained within the Bill. The intent is to improve the efficiency of strata functionality now whilst continuing to protect strata lot proprietorship rights.

This will be to the collective benefit of all the many existing strata corporations as well as encouraging new development, particularly in our commercial hospitality sector.

I am advised that the legislative status quo is actually discouraging inward investment in this sector and it is vital that Cayman does not lose as a result of this kind of bureaucracy.

Madam Speaker, this key legislation is brought before this honourable House in coordination with the Law Reform Commission's pending comprehensive overhaul of strata legislation. I ask for the support of this honourable House for a Law to amend the Strata Titles Registration Law (2005 Revision), in order to change the types of resolutions which may be made under the Law; to empower the corporation to purchase additional property for the strata; to provide for the voluntary destruction of a building in a strata; and for other and connected purposes.

The Speaker: Thank you, Mr. Premier.

Does any other Member wish to speak?
[pause] Does any other Member wish to speak?
[pause] Does any other Member wish to speak?
[pause]

If not, I will call on the Honourable Premier to conclude the debate on this Bill.

The Premier, Hon. W. McKeever Bush: Madam Speaker, just to again thank Members, but also to thank the Minister, the Chief Officer and Heads of Departments who have done the work on this particular Bill and this particular matter. I think it's a good move, Madam Speaker, as I said. I think that not only large developments have problems, but the smaller ones are kept back at times. Proprietors, owners in the smaller ones are hampered at times by people who are just set in their ways and don't want to see change. That is what this Bill will do. It will make some changes for the better in a very democratic way. And I do want to thank the Chief Officer and Heads of Department who are here with us today.

The Speaker: Thank you.

The question is that a Bill shortly entitled the Strata Titles Registration (Amendment) Bill, 2012, be given a second reading.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Strata Titles Registration (Amendment) Bill, 2012 given a second reading.

Tax Information Authority (Amendment) Bill, 2012

The Clerk: The Tax Information Authority (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Thank you, Madam Speaker.

I beg to move the second reading of a Bill entitled the Tax Information Authority (Amendment) Bill, 2012.

The Speaker: The Bill has been duly moved. Does the mover wish to speak thereto?

Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, this Bill seeks to amend the Tax Information Authority Law (2009 Revision) to make certain technical changes to the Law in line with international standard for co-operation in tax matters.

Madam Speaker, the Tax Information Authority Law was first enacted in 2005. It has proven to be an effective piece of legislation to enable the Cayman Islands to provide information for tax purposes to other jurisdictions in accordance with the relevant international standards.

In 2010, the Cayman Islands underwent its Phase 1 Peer Review by the Global Forum on Transparency on Exchange of Information for Tax Purposes. The Phase 1 report published in September 2010 was followed by a supplementary report in 2011 (last year), and positively noted the high levels of transparency demonstrated by the Cayman Islands through the competent authority, the Tax Information Authority.

The Tax Information Authority was recognised for its ability to access and provide information for tax purposes when requested to do so. Madam Speaker, when the Tax Information Authority Law was first passed, there was one agreement for exchange of information for tax purposes. Today there are now 27 with further agreements in various stages of negotiation. In the light of practical experience in providing information for tax purposes the increased number of exchange of information agreements and to further clarify and confirm the ability of the Cayman Islands to provide information for tax purposes in line with the international standards, the amendments which are before this House today deal with certain technical aspects of the Law.

Madam Speaker, the Islands will undergo a Phase 2 assessment by the Global Forum next month. The review consists of an on-site visit to obtain evidence and evaluate Cayman's overall effectiveness in exchanging requested information. The proposed amendments will enhance the outcome of the Phase 2 review. The on-site visit is scheduled to take place from 5 to 7 September, as I might have indicated already.

Madam Speaker, the clauses in the Bill are as follows:

Clause 1 provides the short title.

Clause 2 makes technical changes to the definition section for consistency with the language of scheduled Agreements and with the international standard.

Clause 3 amends section 3 of the principal Law to include other agreements that have been scheduled to the Law in the exception provided by section 3(2) and provides for the deletion of section 3(4) for consistency with the international standard.

Clause 4 amends section 17 of the principal Law to clarify that the notification provisions apply to individuals only. In accordance with the international standard, clause 4 also inserts a new subsection (5) to create an exception to the requirement for notice to be given by the Authority in certain circumstances.

Clause 5 amends section 20 of the principal Law to clarify that all information provided and received by the Authority in relation to a request made under a scheduled Agreement shall be kept confidential.

Clause 6 amends section 21(1) of the principal Law to clarify its effect.

Madam Speaker, I want to commend the Tax Information Authority (Amendment) Bill, 2012, to this honourable House and respectfully ask honourable Members to support the Bill.

The Speaker: Thank you, Mr. Premier.

Does any other Member wish to speak?
[pause] Does any other Member wish to speak?
[pause] Does any other Member wish to speak?
[pause]

If not, I will call on the mover of the Bill to conclude the debate.

The Premier, Hon. W. McKeever Bush: Madam Speaker, just to thank Members for their unspoken support, and also to put on record my appreciation for the work that has gone into these matters and the various peer reviews; the work that has been done by the Secretariat, as led by Mrs. Bahadur and others—Jacqueline (or Jackie, as we know her) Jefferson. And, of course, the Honourable Attorney General and the full team, Madam Speaker; and the Deputy Chief Officer in the Ministry of Financial Services, Mr. Samuel Rose. These persons are in the forefront of this work that have led the team's efforts in getting us off the grey list, or black list, whatever they termed it, to put us in good standing where we are now being peer reviewed, and all that comes out of that is good.

So, I want to thank all those persons I named and others, Mr. Duncan Nichols and, of course, Dr. Dax Basdeo, who is the Chief Officer. All these persons have done a tremendous amount of work and have put the country in good stead. As Minister I am happy, Madam Speaker, that we could march forward;

sometimes against the tide of criticism. Madam Speaker, some of the Tax Information Exchange Agreements could be signed here. We had to do a lot of travelling to get them done. They had to travel and I had to travel as the person to sign. And, of course, I take the licks for travelling. So, Madam Speaker, sometimes people complain. They don't realise how much good is being done and how much work the civil service does behind the scenes. It's good to criticise; but, Madam Speaker, when the work is done . . . and so, Madam Speaker, all of this, I think, puts Cayman in a good stead; I think in the end good business.

As I said earlier, some of these could have been signed here and were signed here, like our Agreement with China was signed here. Others we had to travel to were Holland and other places. So, I want to thank all those persons I mentioned earlier.

The Speaker: Thank you.

The question is that a Bill shortly entitled the Tax Information Authority (Amendment) Bill, 2012, be given a second reading.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Tax Information Authority (Amendment) Bill, 2012, given a second reading.

The Speaker: The House will now go into Committee to consider these Bills.

House in Committee at 4.21 pm

COMMITTEE ON BILLS

[Hon. Mary Lawrence, Speaker, Chairman]

The Chairman: Please be seated. The House is now in Committee.

With the leave of the House, may I assume that, as usual, we should authorise the Honourable Attorney General to correct minor errors and suchlike in these Bills?

Would the Clerk please state the Bill and read the Clauses.

Companies (Amendment) Bill, 2012

The Clerk: [The Companies \(Amendment\) Bill, 2012](#)

Clause 1 Short title
 Clause 2 Amendment of section 2 - definitions and interpretation
 Clause 3 Amendment of section 4 - signature of Registrar

Clause 4 Repeal and substitution of section 11 - location of registered office may be changed
 Clause 5 Amendment of section 17 - registration of order and minute of reduction
 Clause 6 Amendment of section 19 - penalty for concealment of names of creditors
 Clause 7 Amendment of section 26 - registration
 Clause 8 Amendment of section 29 - copies of memorandum and articles to be given to members
 Clause 9 Amendment of section 30 - restrictions on registration of certain names
 Clause 10 Amendment of section 31 - change of name
 Clause 11 Amendment of section 40 - register of members
 Clause 12 Amendment of section 40A - branch registers of members
 Clause 13 Amendment of section 41 - annual list of members and return of capital, shares, calls, etc.

The Chairman: The question is that clauses 1 through 13 do stand part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Clauses 1 through 13 passed.

The Clerk:

Clause 14 Amendment of section 44 - inspection of register
 Clause 15 Amendment of section 50 - registered office of company
 Clause 16 Amendment of section 53 - penalties on non-publication of name
 Clause 17 Amendment of section 54 - register of mortgages
 Clause 18 Repeal and substitution of section 55 - list of directors to be sent to Registrar
 Clause 19 Repeal and substitution of section 56 - penalty on company not keeping a register of directors
 Clause 20 Amendment of section 59 - accounts and audits
 Clause 21 Repeal and substitution of section 62 - recording of special resolutions
 Clause 22 Amendment of section 63 - copies of special resolutions
 Clause 23 Amendment of section 65 - powers of inspectors
 Clause 24 Amendment of section 77 - general penalty; application of fines

Clause 25 Amendment of section 80 - circumstances in which the Governor may licence a company to be registered without "limited" in its name

The Chairman: The question is that clauses 14 through 25 do stand part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Clauses 14 through 25 passed.

The Clerk:

Clause 26 Amendment of section 86 - power to compromise with creditors and members
 Clause 27 Amendment of section 87 - provisions for facilitating reconstruction and amalgamation of companies
 Clause 28 Amendment of section 134 - fraud, etc. in anticipation of winding up
 Clause 29 Amendment of section 135 - transactions in fraud of creditors
 Clause 30 Amendment of section 173 - penalty for false declaration
 Clause 31 Amendment of section 176 - penalty for carrying on business contrary to this Part

The Chairman: The question is that clauses 26 through 31 do stand part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Clauses 26 through 31 passed.

Clause 32 Amendment of section 184 - documents etc., to be delivered to Registrar by foreign companies
 Clause 33 Amendment of section 185 - power of certain foreign companies to hold land
 Clause 34 Amendment of section 187 - return to be delivered to Registrar where documents etc., altered
 Clause 35 Amendment of section 189 - service on foreign company to which this Part applies
 Clause 36 Amendment of section 192 - removing company's name from register
 Clause 37 Amendment of section 193 - penalties for failing to comply with this Part
 Clause 38 Amendment of section 195 - power of Registrar to prohibit sale

Clause 39 Amendment of section 199 - fees in lieu of other provisions

Clause 40 Amendment of Part XI – general

The Chairman: The question is that clauses 32 through 40 do stand part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Clauses 32 through 40 passed.

The Clerk:

Clause 41 Amendment of section 201 - application for continuation
 Clause 42 Amendment of section 206 - deregistration of exempted companies including companies registered under this Part
 Clause 43 Amendment of section 210 - ordinary non-resident company may be reregistered as exempted company
 Clause 44 Amendment of section 211 - effect of reregistration of ordinary non-resident company as an exempted company
 Clause 45 Amendment of section 233 - merger and consolidation
 Clause 46 Amendment of section 237 - merger or consolidation with overseas company

The Chairman: The question is that clauses 41 through 46 do stand part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Clauses 41 through 46 passed.

The Clerk: A Bill for a Law to amend the Companies Law (2011 Revision) to update penalty provisions; and to provide for incidental and connected purposes.

The Chairman: The question is that the Title stands part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Title passed.

The Chairman: The question is that this Bill be reported to the House.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: The Companies (Amendment) Bill, 2012 will be reported to the House.

House resumed at 4.36 pm

The Speaker: Honourable Premier, we need a motion to continue the proceedings of the House, or a motion for adjournment, after the hour of 4.30.

Suspension of Standing Order 10(2)

The Premier, Hon. W. McKeever Bush: Madam Speaker, as it is now the hour of 4.30, we need to suspend Standing Order 10(2) in order for business to continue after the hour of 4.30 pm. I so move.

The Speaker: The question is that Standing Order 10(2) be suspended.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. Please be seated.

Agreed: Standing Order 10(2) suspended

The Speaker: The House will now go into Committee to continue the consideration of the Bills.

House in committee 4.38 pm

COMMITTEE ON BILLS

[Continuation thereon]

[Hon. Mary Lawrence, Speaker, Chairman]

The Chairman: This Committee will now resume its proceedings. Please be seated.

The House is now in Committee. With the leave of the House, may I assume that, as usual, we should authorise the Honourable Attorney General to correct minor errors and suchlike in these Bills?

Would the Clerk please state the Bill and read the Clauses.

Banks and Trust Companies (Amendment) Bill, 2012

The Clerk: [The Banks and Trust Companies \(Amendment\) Bill, 2012.](#)

Clause 1 Short Title

Clause 2 Amendment of section 27 of the Banks and Trust Companies Law (2009 Revision) - regulations

The Chairman: The question is that clauses 1 and 2 do stand part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Clauses 1 and 2 passed.

The Clerk: A Bill for a Law to amend the Banks and Trust Companies Law (2009 Revision) to provide for offences to be created under the regulations; and to provide for incidental and connected purposes.

The Chairman: The question is that the Title stands part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Title passed.

Exempted Limited Partnership (Amendment) Bill, 2012

The Clerk: [The Exempted Limited Partnership \(Amendment\) Bill, 2012.](#)

Clause 1 Short title

Clause 2 Amendment of section 10 of the Exempted Limited Partnership Law (2011 Revision) - changes in registered particulars

Clause 3 Amendment of section 11 - register of limited partnership interests

Clause 4 Amendment of section 25 - recovery of penalties

The Chairman: The question is that clauses 1 through [4] do stand part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Clauses 1 through 4 passed.

The Clerk: A Bill for a Law to amend the Exempted Limited Partnership Law (2011 Revision) to update the penalty provisions; and to provide for incidental and connected purposes.

The Chairman: The question is that the Title stands part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Title passed.

Insurance (Amendment) Bill, 2012

The Clerk: [The Insurance \(Amendment\) Bill, 2012.](#)

Clause 1 Short title
 Clause 2 Amendment of section 4 of the Insurance Law 2010- licences

The Chairman: The question is that clauses 1 and 2 do stand part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Clauses 1 and 2 passed.

The Clerk: Clause 3, Amendment of the Schedule to the Insurance Law 2010- savings, transitional and consequential provisions

Amendment to clause 3

The Premier, Hon. W. McKeeva Bush: Madam Chair, I have an amendment, I am going to move that amendment.

In accordance with the provisions of Standing Order 52(1) and (2), I, the Honourable Minister of Finance, Tourism and Development, give notice to move the following amendment to the Insurance (Amendment) Bill, 2012: That the Bill be amended in clause 3 by deleting paragraph (b) of section 5 and substituting the following paragraph -

“(b) if not in compliance with one or more of the conditions specified in section 4(4) or section 8(2) as may be applicable to it shall so comply within eighteen months of the coming into force of this Law or such longer period as the Authority may for good cause shown permit.”

The Chairman: The amendment has been duly moved, does the Member wish to speak thereto?

The Premier, Hon. W. McKeeva Bush: Thank you.

There is a typo in the first line of [clause 3], [section] 5(b). The first line should read, “if not in compliance with one or more of the conditions specified in section 4(4) the licensee shall so comply . . .”

It is a typo in the first line of [clause 3] section 5(b). The first line should read “if not in compliance with one or more of the conditions specified in section 4(4)—“the licensee” (is what needs to go in there)— shall so comply. . .”

[Pause]

The Premier, Hon. W. McKeeva Bush: As I said, there is a typo in [clause 3] section 5(b), and that line should read: “if not in compliance with one or more of the conditions specified in section 4(4) the licensee shall so comply. . .” There is an omission of those two words. And “not” . . . “if not” . . . Madam Chair, when we continue to explain, as this is a transitional arrangement it applies to licensees that are currently not in compliance with the new Insurance Law and not those that already comply. The provision does not make sense without the word “not.” So you have to put in the word “not.”

[Inaudible interjection]

The Premier, Hon. W. McKeeva Bush: That is why I am saying we need to explain it fully.

Madam Chair, there are some issues with the way section 5(b) currently reads. Two subsections of the new Insurance Law contain new conditions that licensees will be required to abide by—subsection 4(4) and subsection 8(2). The Authority has advised the Ministry that licensees should have 18 months to become compliant with both of these subsections. As such, both subsections should be listed in transitional provisions of section 5(b) of the amending Bill.

Currently the amending Bill correctly states that licensees have 18 months to comply with section 4(4). However, the amending Bill incorrectly states in the last two lines of section 5(b) [clause 3], that licensees shall comply in the *interim* with section 8. Section 8 of the new Insurance Law contains *permanent*, not *interim*, requirements for licensees.

Moreover the requirements of section 8(1) should come into force immediately as they will not require licensees to change their processes or procedures. However, licensees will need to adapt to the requirements of section 8(2) and the Authority agrees that a licensee should be given 18 months to become compliant with that provision.

I hope this clears it up.

[Inaudible interjection]

Yes, the whole paragraph too, Madam Speaker, gets changed. That's what we're doing. While we are leaving the amendment, the paragraph got changed.

The Chairman: The amendment has been duly moved. Does any other Member wish to speak? [pause]

No one wishes to speak? Then the question is that the amendment stands part of the clause. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Amendment stands part of clause 3.

The Chairman: The question now is that [clause 3] as amended stand part of the Bill.

No one wishes to speak?

The question now is that [clause 3] as amended stand part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 3 as amended passed.

The Clerk: A Bill for a Law to amend the Insurance Law, 2010 to provide for further savings, transitional and consequential matters; and for incidental and connected purposes

The Chairman: The question is that the Title stands part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Title passed.

Strata Titles Registration (Amendment) Bill, 2012

The Clerk: [The Strata Titles Registration \(Amendment\) Bill, 2012.](#)

- | | |
|----------|--|
| Clause 1 | Short title |
| Clause 2 | Amendment of section 2 of the Strata Titles Registration Law (2005 Revision) – definitions |
| Clause 3 | Amendment of section 3 – creation of strata lots |
| Clause 4 | Amendment of section 6 – duties and powers of a corporation |

- | | |
|----------|--|
| Clause 5 | Amendment of section 8 – voting rights |
| Clause 6 | Amendment of section 14 – disposition of common property |

The Chairman: The question is that clauses 1 through 6 do stand part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 1 through 6 passed.

The Clerk:

- | | |
|-----------|--|
| Clause 8 | Amendment of section 21 – bye-laws |
| Clause 9 | Amendment of section 22 – creation of easements and agreements |
| Clause 10 | Amendment of section 23 – destruction of building |
| Clause 11 | Amendment of First Schedule |

The Chairman: The question is that clauses 8 through 11 do stand part of the Bill.

All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 8 through 11 passed.

Insertion of New Section

The Clerk: Clause 7– Insertion of new section - acquisition of additional common property; etc.

The Speaker: Honourable Premier.

[Pause]

The Premier, Hon. W. McKeeva Bush: Madam Speaker, I move that clause 7, which is Insertion of section 14A, be part of the Bill.

The Clerk: Clause 7– Insertion of new section - acquisition of additional property; etc.

The Chairman: The question is that clause 7 be read a second time. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

The question now is that this clause be inserted as clause 7 to the Bill, and that the subsequent

clauses be renumbered accordingly. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 7 passed.

The Clerk: A Bill for a Law to amend the Strata Titles Registration Law (2005 Revision) in order to change the types of resolutions which may be made under the Law; to empower the corporation to purchase additional property for the strata; to provide for the voluntary destruction of a building in a strata; and for other and connected purposes.

The Chairman: The question is that the Title stands part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Title passed.

Tax Information Authority (Amendment) Bill, 2012

The Clerk: [The Tax Information Authority \(Amendment\) Bill, 2012.](#)

- | | |
|----------|--|
| Clause 1 | Short title |
| Clause 2 | Amendment of section 2 of the Tax Information Authority Law (2009 Revision) - definitions and interpretation |
| Clause 3 | Amendment of section 3 - implementation |
| Clause 4 | Amendment of section 17 - notification |
| Clause 5 | Amendment of section 20 - confidentiality with regard to a request |
| Clause 6 | Amendment of section 21 - restriction on use of information |

The Chairman: The question is that clauses 1 through 6 do stand part of the Bill.

All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Clauses 1 through 6 passed.

The Clerk: A Bill for a Law to amend the Tax Information Authority Law (2009 Revision) to further clarify and confirm the ability of the Cayman Islands to provide information relating to tax matters to other jurisdictions in accordance with the international standard

for co-operation in tax matters; and to provide for incidental and connected purposes.

The Chairman: The question is that the Title stands part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Title passed.

The Chairman: The question now is that the Bills be reported to the House. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: Bills to be reported to the House.

House resumed at 5.00 pm

The Speaker: Please be seated.

REPORT ON BILLS

Companies (Amendment) Bill, 2012

The Clerk: The Companies (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I have to report that a Bill entitled, The Companies (Amendment) Bill, 2012, was dealt with by a Committee of the whole House without amendment.

The Speaker: The Bill has been duly reported and is set down for a third reading.

Banks and Trust Companies (Amendment) Bill, 2012

The Clerk: The Banks and Trust Companies (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I have to report that a Bill entitled, The Banks and Trust Companies (Amendment) Bill, 2012, was dealt with by a Committee of the whole House without amendment.

The Speaker: The Bill has been duly reported and is set down for a third reading.

Exempted Limited Partnership (Amendment) Bill, 2012

The Clerk: The Exempted Limited Partnership (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I have to report that a Bill entitled, The Exempted Limited Partnership (Amendment) Bill, 2012, was dealt with by a Committee of the whole House without amendment.

The Speaker: The Bill has been duly reported and is set down for a third reading.

Insurance (Amendment) Bill, 2012

The Clerk: The Insurance (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I have to report that a Bill entitled, The Insurance (Amendment) Bill, 2012, was dealt with by a Committee of the whole House and amended.

The Speaker: The Bill has been duly reported and is set down for a third reading.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I better repeat that.

I have to report that a Bill entitled, The Insurance (Amendment) Bill [2012], was dealt with by a Committee of the whole House and amended.

The Speaker: The Bill has been duly reported and is set down for a third reading.

Strata Titles Registration (Amendment) Bill, 2012

The Clerk: The Strata Titles Registration (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I have to report that a Bill entitled, The Strata Titles Registration (Amendment) Bill, 2012, was dealt with by a Committee of the whole House without amendment.

The Speaker: The Bill has been duly reported and is set down for a third reading.

Tax Information Authority (Amendment) Bill, 2012

The Clerk: The Tax Information Authority (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I have to report that a Bill entitled, The Tax Information Authority (Amendment) Bill, 2012, was dealt with by a Committee of the whole House without amendment.

The Speaker: The Bill has been duly reported and is set down for a third reading.

Suspension of Standing Order 47

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I move the suspension of Standing Order 47 to enable the Bills to be read a third time.

The Speaker: The question is that Standing Order 47 to enable the Bills to be read a third time.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: Standing Order 47 suspended.

THIRD READINGS**Companies (Amendment) Bill, 2012**

The Clerk: The Companies (Amendment) Bill, 2012.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I move that the Bill entitled, The Companies (Amendment) Bill, 2012, be given a third reading and passed.

The Speaker: The question is that a Bill entitled, The Companies (Amendment) Bill, 2012, be given a third reading and passed.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Companies (Amendment) Bill, 2012, given a third reading and passed.

Banks and Trust Companies (Amendment) Bill, 2012

The Clerk: The Banks and Trust Companies (Amendment) Bill, 2012.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I move that the Bill entitled, The Banks and Trust Companies (Amendment) Bill, 2012, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled, The Banks and Trust Companies (Amendment) Bill, 2012, be given a third reading and passed.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Banks and Trust Companies (Amendment) Bill, 2012, given a third reading and passed.

Exempted Limited Partnership (Amendment) Bill, 2012

The Clerk: The Exempted Limited Partnership (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Thank you, Madam Speaker.

I move that the Bill entitled, The Exempted Limited Partnership (Amendment) Bill, 2012, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled, The Exempted Limited Partnership (Amendment) Bill, 2012, be given a third reading and passed.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Exempted Limited Partnership (Amendment) Bill, 2012, given a third reading and passed.

Insurance (Amendment) Bill, 2012

The Clerk: The Insurance (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I move that the Bill entitled, The Insurance (Amendment) Bill, 2012, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled, The Insurance (Amendment) Bill, 2012, be given a third reading and passed.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Insurance (Amendment) Bill, 2012, given a third reading and passed.

Strata Titles Registration (Amendment) Bill, 2012

The Clerk: The Strata Titles Registration (Amendment) Bill, 2012.

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I move that a Bill entitled the Strata Titles Registration (Amendment) Bill, 2012, be given a third reading and passed.

The Speaker: The question is that the Strata Titles Registration (Amendment) Bill, 2012, be given a third reading and passed.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Strata Titles Registration (Amendment) Bill, 2012, given a third reading and passed.

Tax Information Authority (Amendment) Bill, 2012

The Clerk: The Tax Information Authority (Amendment) Bill, 2012

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I move that the Bill entitled, The Tax Information Authority (Amendment) Bill, 2012, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled, The Tax Information Authority (Amendment) Bill, 2012, be given a third reading and passed.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Tax Information Authority (Amendment) Bill, 2012, given a third reading and passed.

The Speaker: There is no further business on the Order Paper. I will call on the Premier to make a motion for adjournment.

ADJOURNMENT

The Premier, Hon. W. McKeeva Bush: Madam Speaker, we have a number of Bills that are on the Order Paper and other Bills to come in some revenue measures but we are not ready to deal with them until Friday morning. So, we will ask that the House be adjourned until Friday morning at 10.00.

The Speaker: Thank you.

The question is that this honourable House do stand adjourned until Friday morning at 10.00.

All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

At 5.10 pm the House stood adjourned until 10.00 am, Friday, 31 August 2012.

