PARLIAMENT
OF THE CAYMAN ISLANDS

PARLIAMENT OF THE CAYMAN ISLANDS

OFFICIAL HANSARD REPORT

Second Meeting of the 2024/2025 Session
First Sitting

Monday
9 December, 2024
(Pages 1-48)

Hon. Sir Alden McLaughlin
Speaker

PRESENT WERE:

Hon. Sir Alden McLaughlin, KCMG, MBE, KC, JP, MP
Speaker

MINISTERS OF THE CABINET

Hon. Juliana Y. O'Connor-Connolly, JP, MP	*Premier*, Minister of Finance & Economic Development, Education, District Administration & Lands, Financial Services & Commerce, *and* Health
Hon. Kenneth V. Bryan, MP	*Deputy Premier,* Minister of Tourism & Ports *and* Social Development & Innovation
Hon. Johany S. Ebanks, MP	Minister of Planning, Agriculture, Housing, Infrastructure and Transport & Development
Hon. Isaac D. Rankine, JP, MP	Minister of Youth, Sports, & Heritage *and* Home Affairs
Hon. Dwayne S. Seymour, OCI, JP, MP	Minister of Border Control, Labour, Culture, Sustainability & Climate Resiliency *and* Wellness

EX OFFICIO MEMBERS OF THE CABINET

Hon. Franz I. Manderson, MBE, Cert Hon, JP	*Deputy Governor*, ex officio Member responsible for the Portfolio of the Civil Service
Hon. Samuel W. Bulgin, KC, JP	*Attorney General*, ex officio Member responsible for the Portfolio of Legal Affairs

ELECTED MEMBERS

GOVERNMENT BACKBENCHERS

Hon. W. McKeeva Bush, JP, MP	Elected Member for West Bay West, Parliamentary Secretary to Border Control & Culture *and* Planning, Housing, Infrastructure, Transport & Development
Mr. Bernie A. Bush, MP	Elected Member for West Bay North, Parliamentary Secretary for Youth, Sports and Heritage

OPPOSITION MEMBERS

Hon. Joseph X. Hew, MP	*Leader of the Opposition*, Elected Member for George Town North
Ms. Barbara E. Conolly, JP, NP, MP	*Deputy Leader of the Opposition*, Elected Member for George Town South
Mr. Roy M. McTaggart, JP, MP	Elected Member for George Town East
Mr. Moses I. Kirkconnell, OBE, JP, MP	Elected Member for Cayman Brac West and Little Cayman
Mr. David C. Wight, JP, MP	Elected Member for George Town West

INDEPENDENT OPPOSITION MEMBERS

Hon. Heather D. Bodden, OCI, Cert. Hon., JP, MP	*Deputy Speaker*, Elected Member for Savannah
Hon. G. Wayne Panton, JP, MP	Elected Member for Newlands
Hon. Katherine A. Ebanks-Wilks, MP	Elected Member for West Bay Central
Mr. Christopher S. Saunders, MP	Elected Member for Bodden Town West
Mr. André M. Ebanks, MP	Elected Member for West Bay South
Mrs. Sabrina T. Turner, MP	Elected Member for Prospect

OFFICIAL HANSARD REPORT
SECOND MEETING OF THE 2024/2025 SESSION
MONDAY
9 DECEMBER, 2024
10.55 AM
First Sitting

[Hon. Sir Alden McLaughlin, Speaker, presiding]

The Speaker: Good morning. The Second Meeting of the 2024/2025 Session of the Parliament of the Cayman Islands is now commenced.

I'd ask the Honourable Attorney General to grace us with prayers.

PRAYERS

The Attorney General, Hon. Samuel W. Bulgin, ex officio Member responsible for the Portfolio of Legal Affairs: Thank you.

Good morning. 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 Parliament 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, King Charles III; William, 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 Premier, the Speaker of the Parliament, the Leader of the Opposition, Ministers of the Cabinet, ex officio Members, Members of the Parliament, the Chief Justice and Members of the Judiciary 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.

The House is now resumed.

ADMINISTRATION OF OATHS OR AFFIRMATIONS

The Speaker: None.

READING BY THE HONOURABLE SPEAKER OF MESSAGES AND ANNOUNCEMENTS

The Speaker: None.

PRESENTATION OF PETITIONS

The Speaker: None.

PRESENTATION OF PAPERS AND OF REPORTS

Cayman Islands Government - Unaudited Quarterly Financial Report – Nine-Month Period Ended 30 September 2024 – Core Government

The Speaker: I recognise the Honourable Premier.

The Premier, Hon. Juliana O'Connor-Connolly, Premier, Minister of Finance & Economic Development, Education, District Administration & Lands, Financial Services & Commerce, and Health, Elected Member for Cayman Brac East: Thank you Mr. Speaker and good morning all.

Mr. Speaker, I beg to lay on the Table of this honourable Parliament, the Unaudited Quarterly Financial Report.

The Speaker: So ordered.

Does the Honourable Premier wish to speak thereto?

The Premier, Hon. Juliana O'Connor-Connolly: Yes, thank you, Mr. Speaker.

The Speaker: Please proceed.

[Pause]

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, on 8th November, 2024 the Ministry of Finance and Economic Development arranged for the gazettal of the Unaudited Quarterly Financial Report for a core government of the Cayman Islands for this period. The gazettal on 8th November satisfied the six weeks after the end of the quarter deadline specified in the said Act. The overview of the financial report for the nine-month period ended 30th September, 2024.

Mr. Speaker, the information referred hereto is based on records obtained from the general ledger of the government's financial management system. It is also based on the representations and judgments provided by the Chief Financial Officers of Ministries, Portfolios, Offices and Statutory Authorities and Government [Companies] (SAGCs). Mr. Speaker, all of the amounts that I will provide from this point onwards are stated in Cayman Islands Dollars.

The statement of the financial position as at the 30th September 2024, on page 13 of the now Tabled document shows that the core government ended the period with $3.3 billion in total assets, $1 billion in total liabilities, and therefore with $2.3 billion in net assets or net worth.

Cash or Cash Equivalents, which includes fixed deposits with maturity durations not exceeding 90 days were $138.1 million and Marketable Securities which are all comprised of fixed deposits with maturity durations exceeding 90 days were $346.9 million, for a total of $485 million with respect to bank account balances.

Due to the significant cash balances on hand, the government will continue to place funds on longer term fixed deposits in order to maximise interest income for the government. These longer-term deposits are shown in the Marketable Securities on the Statement of Financial Position and are not included in the definition of *Cash* or *Cash Equivalent*. That is a separate classification shown on the Statement of Financial Position, which is only representing the deposits that are 90 days or less to maturity.

Mr. Speaker, the public debt for the core government stood at $420.9 million as of the 30th September, 2024; this was $48.9 million less than the debt balance at the 30th September last year. The debt balance continues to decline, with the scheduled principal repayments being made. The government has not borrowed during this nine-month period and will resist doing so for as long as possible in the financial years. If revenues continue to do as well and expenditures are responsibly incurred, we will not borrow in 2024, although we have been given the legal responsibility and empowerment to do so when the budget was approved last year.

The Statement of Financial Performance for the period shown on page seven of the document indicates that Core Government earned total operating revenue of $914 million and incurred total operating expenditure of $778.3 million. The resulting operating surplus for core government was $135.7 million. SAGCs posted a collective surplus of $12.9 million for the period and thus the entire public sector had an operating surplus of $148.6 million for the said period; or Mr. Speaker, that equates to 35.1 per cent ahead of the surplus projections for the period.

Mr. Speaker, revenues recorded for the period were $914 million, [which was] $27 million above our budget projections. This positive variance was mainly concentrated in the category of Coercive Revenue, which are revenues received by the government by virtue of coercive powers of certain specified Acts. Coercive Revenue was $7.3 million greater than what was budgeted for the period and $57.2 million greater for the period year-to-date with our actual revenues.

Coercive revenue items performing better than budget expectations for those categories whose projected revenues were $5 million or more, including financial services fees collected by the General Registry for government—there were $14.2 [million] more than budgeted. This category of revenues such as company fees payable by exempt companies and partnership fees were $7.4 million and $6.4 million more than budget expectations, respectively.

Property related revenue which were $12.9 million higher than was budgeted includes revenue such as stamp duty, land transfer fees which came in at $17.9 million positive variance and reflects an increase due to higher volumes of higher valued properties and transactions. Financial services fees collected by Cayman Islands Monetary Authority (CIMA) for government where $2.2 million higher than budget expectations, mainly due to an increase in the volume of registered funds. These positive variances from the budget expectations were partially offset by negative variance in other coercive revenue categories of coercive revenue whose projected revenues were $5 million as such.

Import duty revenues were $21.4 million less than what was budgeted for the projected period; however, Mr. Speaker, this category of revenue surpassed the same period as related to 2023 by $2.2 million. Other coercive revenues were $4.2 million less than budget projections for the period. The negative variance is mainly due to the commencement date for the Department of International Cooperation filing fees being deferred from 2024 to 2025.

Mr. Speaker, expenses incurred for the period of $778.3 million were $10.9 million less than a year-to-date budget of $789.2 million. The largest overspends were in the categories of output from SAGCs, a negative variance of $14.4 million. Outputs from non-governmental output suppliers saw a negative variance of $12.1 million and transfer payments, a negative variance of $11.2 million. These overspends were offset by savings and personnel costs, a positive variance of $34.4 million and supplies and consumables, a positive variance of $11.5 million.

Mr. Speaker, with respect to expenditures, the extent of underspend or overspend is calculated by comparing the actual expenditures to the initial budgeted amounts in the 2024 Financial Year, and honourable Members will be cognisant that the initial budget for 2024 Financial Year was approved by Parliament on the 15th of December last year.

Mr. Speaker, it is, however, important that I make it explicitly clear that although I have spoken of budgets being overspent, this is by reference to the initial budget for 2024 Financial Year which was passed in December last year. Government has obtained the required approvals to spin levels greater than the budgeted amounts, with such approvals coming via Cabinet, either through 11(5) of the Act or through section 12 that come through Finance Committee in 2024. There's a proper authority for the occurrence of the amounts that I hereto mention which led to the description of overspending, because that description relates to a position that has been superseded by changes made during 2024.

Mr. Speaker, costs relating to personnel for the period amounted $341 million which reflects underspend in personnel costs by $34.4 million which is 9.2 per cent less than the budgeted projection of $375.4 million for the said period. This favourable variance is a result of several Ministries and Portfolios having vacant posts which, to the 30th September 2024, remained unfilled. Actual expenditures on surplus and consumables were also lower than projected, with an underspend of $10.6 million, which is 9.4 per cent less than the budgeted projection of $122.2 million for the corresponding period.

Within the supplies and consumables category, Mr. Speaker, the most significant underspend related to the purchase of services, which accounts for the majority of positive variance in its consumables and supplies classification. Outputs from SAGCs of $148.7 million were $14.4 million or 10.7 per cent more than the year-to-date budget of $134.3 million.

Output from Non-governmental suppliers of $54.9 million were $22.1 million or 67.3 per cent more than the year-to-date budget of $32.8 million, mainly due to the NGS 55 Tertiary Care at Local and Overseas Institutions. The cost for NGS 55 are currently at $38.5 million and exceeds the 2024 initial full budget of $19.9 million.

Transfer payments of $61.1 million were $11.2 million or 22.4 per cent more than the budget for the period. This variance, Mr. Speaker, is mainly due to the overages in financial assistance offset by savings in other expenditure areas.

The Statement of Cash Flows on page 18 of the Tabled document shows that the net cash flows from operating activities total $105.1 million. The net cash outflows from investing activities during the period was $17.2 million, while the cash outflow arising from finance activities was $57.8 million.

Investing activities included in the $591.5 million, Mr. Speaker, placed on fixed deposits. Additionally, $86.9 million was utilised for capital investment and expenditures relating to purchase of property, plant and equipment, $64.5 million and equity [injections] in SAGCs of $22.4 million.

In conclusion, Mr. Speaker, the overall fiscal performance reported for the period shows a core government operating surplus of $135.7 million, which is $38 million or 38.8 per cent greater than the budgeted expectations for the said period. The SAGCs contributed a combined surplus for the period of $12.9 million, exceeding the estimated results for the third quarter of 2024 by $14.2 million, which meant that when the surplus from the SAGCs is combined with the core government surplus, the entire public sector achieved a surplus of $148.6 million or 54 per cent ahead of the EPS [Entire Public Sector] surplus projections for the said corresponding period.

The government's cash position, Mr. Speaker, ended at $485 million for the period; $197.1 million were held in reserve and restricted deposits and $287.9 million were operating bank account balances.

Mr. Speaker, I am therefore pleased with the government's financial performance for the nine months ended 30th September this year. The third quarter, 2024 performance has placed the government in a most favourable position for the remainder of the year.

We are well aware, Mr. Speaker, that continued fiscal discipline and ongoing monitoring of public finances are absolutely critical and necessary, and that has been the *modus operandi*.

The Unaudited Quarterly Financial Report for the Core Government of the Cayman Islands for the nine-month period in the 30th September, 2024 is available on the Minister of Finance and Economics website, www.gov.ky/finance and it has also been gazetted on the 8th November, 2024.

Thank you, Mr. Speaker.

Ministry of Financial Services and Commerce - Cayman Islands Government Annual Report 2023

The Speaker: I recognise the Honourable Premier.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to lay on the Table of this honourable Parliament, the Annual Report 2023 for the Minister of Financial Services and Commerce.

The Speaker: So ordered. Does the Honourable Premier wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes, thank you, Mr. Speaker.

The Speaker: Please proceed.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Mr. Speaker, I am pleased to present the annual report for the Minister of Financial Services and Commerce. This annual report includes details outlined in the financial statement, as well as information on the activities and accomplishments of the Ministry for 2023 financial year.

Components of the Financial Statement

Mr. Speaker, the audited financial statements for the Ministry of Financial Services and Commerce are comprised in a statement of financial position, the statement of financial performance, the statement of changes in the net worth and a statement of cash flows and the notes of the financial statement.

Mr. Speaker, the Statement of Financial Performance shows that the total revenue earned by the Ministry during the period was $21.5 million and total expenses was $21.5 million. The Ministry ended the 2023 financial year with $24.9 million in total assets, $2.9 million in total liabilities and total net assets of $22.2 million. Cash and cash equivalents held by the Ministry as of the 31st December, 2023, were $22 million.

Achievements

Mr. Speaker, the following are some of the key highlights of the activities and accomplishments of the Ministry during 2023 Financial Year:

- The Ministry and its agencies greatly contributed to the Cayman Islands' removal from the Financial Action Task Force (FATF) grey list in October, 2023, when the FATF determined that the Cayman Islands' Anti-Money Laundering / Countering the Financing of Terrorism (AML/CFT) regime met global standards.
- The Washington, DC office of the Cayman Islands Government was officially opened in January last year, which then facilitated an increased level of engagement with the US officials throughout the year.
- In September, the Cabinet approved the establishment of an office in Asia, which would go on to increase engagement with the financial service industry in the region.
- In April, as a part of the celebrations leading up to the World Intellectual Property Day, the Cayman Islands Intellectual Property Office recognised the creativity and entrepreneurial spirit of Suzy Soto, the creator of the Sir Turtle trademark, which was the first trademark on the government's register when direct registrations started in 2017.
- The General Registry launched a new user-friendly Vital Events system that allows online submission from stakeholders from hospitals, funeral homes and marriage officers.
- Efforts to support our local financial services industry also resulted in the development and passage of 13 Acts [and] 10 Regulations, including the Beneficial Ownership Transparency Act, which was a consolidation of Cayman's beneficial ownership legislation that also improved Cayman's framework for transparency and alignment with global standards.
- Auditor General's opinion issued an unqualified opinion on the financial statements of the Minister for Financial Services and Commerce for the year ending 1st January, 2023, and ended on the 31st December, 2023.

In conclusion, Mr. Speaker, 2023 was undoubtedly a year of significant milestones and accomplishments and I wish to go on record to thank the former Minister for Financial Services and his team, both ably led by himself and Dr. Dax Basdeo. I would like to thank, in addition to the Chief Officer, his senior leadership team in the Ministry and the heads of all agencies for their dedicated commitment, as well as our Honourable Attorney General; they worked assiduously to ensure that Cabinet was placed in a position to bring forward the various Acts, as well as to pass expeditiously, oft times with much haste, but [with] full consideration [of] the regulations.

Mr. Speaker, it goes without saying that it takes two hands to clap, and so I gladly wish to convey and put on record my sincere appreciation to the former Minister, my former Cabinet colleagues and entire Cabinet and the civil service, without which these could not have been accomplished.

I thank you.

Beneficial Ownership Transparency (Legitimate Interest Access) Regulations, 2024

The Speaker: I recognise the Honourable Premier.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to lay on the Table of this honourable Parliament, the Beneficial Ownership Transparency (Legitimate Interests Access) Regulations, 2024.

The Speaker: So ordered. Does the Honourable Premier wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: No, thank you, Mr. Speaker, as there is a corresponding Government Motion that will feature on Wednesday.

The Speaker: Very well.

Report & Recommendation of the Minister Responsible for Lands on the Vesting of Crown Land at Registration Section West Bay Beach South, Block 13B Parcel 103H16 to Logwood Estates Ltd

The Speaker: I recognise the Honourable Premier.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to lay on the Table of this honourable Parliament the Report and Recommendation of the Minister Responsible for Lands for the Governor (Vesting of Lands) Act (2005 Revision) as it relates to the Logwood Estates Limited.

The Speaker: Does the Honourable Premier wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes, thank you, Mr. Speaker.

The Speaker: Please proceed.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Mr. Speaker, Block 13B reflects a disposition of a sale of surplus property asset that recently became vested in the Crown under the provisions of the Companies Act. [Block] 13B Parcel 103H16 comprises of residential 2-bedroom 2-bathroom condominium with a floor area of 1,228 square feet in the strata development known as Grapetree, located on Snooze Lane, off West Bay Road in George Town, Grand Cayman. The Grapetree condominiums were constructed around 1980 (I am reliably informed), and Block 13B Parcel 103 is the mother Parcel, registered to the Proprietors of Strata Plan No. 35, and is zoned Hotel/Residential.

Mr. Speaker, if I may provide some background, the property was first registered to a company called Diversified Manufacturing Systems in 2003. However, this company was struck-off by the Register of Companies on the 31st December, 2009, **"on the statutory grounds that the Registrar 'had reasonable cause to believe that the company was not carrying on business or in operation.' (Section 156 Part IV of the Companies Act 2023 Revision)."**

This action is automatically taken by the Registrar with any qualifying company when annual company registration fees are not paid. Section 162 of the said Act states, **"Any property vested in or belonging to any company struck-off the register under this Law shall thereupon vest in the Minister charged with the responsibility for Finance and shall be subject to disposition by the Cabinet, or to retention for the benefits of the Islands."** Therefore, Mr. Speaker, ownership of the property automatically became vested in the Crown after the company had been struck-off for in excess of 10 years, this being the term of years after which a defunct company becomes legally incapable of reinstatement under the Act.

Mr. Speaker, in 2022, the Cabinet decided that the vacant property was surplus to requirements and should be sold. Three valuations of the land to be transferred are required under the Governor (Vesting of Lands) Act (2005 Revision); one from the Government's Chief Valuation Officer and two from independent property valuation companies. In this instance, four opinions were obtained.

The four opinions of market value were as follows:

- Lands & Survey - $700,000;
- DDL - $705,000;
- Quayside - $789,000; and
- BCQS - $785,000.

Accordingly, Mr. Speaker, in 2022, the Lands & Survey Department conducted a public tender exercise inviting sealed offers by a deadline. However, the highest bid received was below the market value and so Cabinet decided not to accept any of the offers received. Cabinet decided that the property be remarketed by a professional real estate agent.

In 2023, the Department undertook a competitive procurement exercise of realtors registered in the Cayman Islands Real Estate Brokers Association (CIREBA). Mr. Speaker, the highest point scorer was the realtor, Ms. Amber Yates of Century 21. Ms. Yates was appointed in 2023 and widely marketed the property at a listing price of $970,000.

In August 2024, a bid of $805,000 was submitted by a company called Logwood Estates Ltd. The offer was made and government accepted. The Chief Valuation Officer recommended this acceptance to the said offer.

Mr. Speaker, after careful analysis and consideration of the report provided, Cabinet resolved, on CP 486/24 on the 2nd October, this year, to advise Her Excellency the Governor to approve the sale of Crown land Block 13B Parcel 103H16 to Logwood Estates for a consideration of CI$805,000. The Cabinet did not waive the Stamp Duty due on the transfer. The realtor sales commission from CIREBA was 6 per cent applicable to this sale value and it will be deducted from the sales proceeds.

Mr. Speaker, I confirm that as required by the Act, the details of this proposed land disposition have been published in the *Cayman Islands Gazette* on the 18th October, this year, and in a local newspaper, namely the *Caymanian Times,* on the 13th November. Accompanying this report are all of the required documents as specified in section 10(2) of the Governor (Vesting of Lands) Act (2005 Revision), including the valuation reports.

I therefore respectfully ask that this report be accepted, as laid.

Report & Recommendation of the Minister Responsible for Lands on the Vesting of Crown Land at Registration Section West Bay Beach North, Block 11C Parcel 70 to Anthony Ashmore

The Speaker: I recognise the Honourable Premier.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you Mr. Speaker.

Mr. Speaker, I beg to lay on the Table of this honourable Parliament the Governor (Vesting of Lands) Act, in accordance with that report and recommendation as laid by me for West Bay Section Beach North Block 11C Parcel 70 to Anthony Ashmore.

The Speaker: So ordered. Does the Honourable Premier wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes. Thank you, Mr. Speaker.

Mr. Speaker, Block 11C Parcel 70 comprises a small, rectangular-shaped undeveloped Parcel of Crown land located by the roundabout at the junction of Esterley Tibbetts Highway. Its registered area is 0.0459 of an acre (1,999 square feet). The unusual configuration of Parcel 70 and similar adjacent small parcels derive from a land mutation undertaken in 1976. The zoning is Low Density Residential.

Block 11C Parcel 3 registered to Mr. Anthony Ashmore adjoins Parcel 70 on its south side. Its registered area is also 0.0459 of an acre (1999 square feet).

Mr. Speaker, the Crown's ownership of [Block] 11C Parcel 70 derives from an initial land swap exercise that was undertaken taken in 2023, whereby a third party and the Crown exchanged isolated parcels in the same subdivision to the mutual benefit of both parties resulting in land holding configurations.

Mr. Speaker, Phase 2 of this land reconfiguration exercise is for the Crown and Mr. Ashmore to exchange Parcel 70 and Parcel 3. Once this exchange is duly completed, the Crown will own five contiguous small parcels here and Mr. Ashmore will own two contiguous small parcels. It is in both parties' interest to undertake the said exchange since it will result in both parties owning more valuable contiguous land holdings capable of development. At present, the parcels are separate and subdivided for development in isolation, with values being low as a result.

Mr. Speaker, the Crown approached Mr. Ashmore to propose the mutually beneficial land exchange of Parcel 70 for [Parcel] 3. Mr. Ashmore agreed, provided the government undertakes a slight realignment of the mutual parcel boundary by way of re-parcellation. This is deemed acceptable and does not affect the area of either parcel.

Mr. Speaker, three valuations of the land to be exchanged are required under the Governor (Vesting of Lands) Act (2005 Revision); one from the government's Chief Valuation Officer and two from independent property valuation companies. The table which I'm about to explain outlines three opinions of market values of the lands being exchanged, although this is an academic exercise since no money is changing hands. It is to be [a] straightforward, nil consideration land swap.

	Parcel 70	**Parcel 3**
Lands and Survey Department	$31,000	$31,000
Bould Consulting Limited	$21,000	$28,000
Plum Property Services	$50,000	$50,000

After careful analysis and due consideration of the report provided Mr. Speaker, Cabinet resolved in Cabinet Paper 29324 dated the 11th June this year, to advise Her Excellency the Governor to approve the land swap, that is, the disposal of Crown land [Block] 11C Parcel 70 to Anthony Ashmore in exchange for Mr. Ashmore's Block 11C Parcel 3— stamp duty to be waived and the Crown to bear the cost of the re-parcellation.

Mr. Speaker, I confirm that as required by the Act, the necessary details of this proposed land disposition have been published in the *Cayman Islands Gazette* on the 18th October this year, and a local newspaper namely the *Caymanian Times* on the 13th November this year. Accompanying this report, Mr. Speaker, are all of the required documents as specified in section 10(2) of the Governor (Vesting of Lands) Act (2005 Revision), including the valuation reports.

Mr. Speaker, I respectfully ask for the House to accept the report as duly laid and explained.

The Speaker: Very well.

Cayman Port – The Annual Report 2023 – Port Authority of the Cayman Islands

The Speaker: I recognise the Honourable Deputy Premier.

Hon. Kenneth V. Bryan, Deputy Premier, Minister of Tourism & Ports *and* Social Development & Innovation, Elected Member for George Town Central: Thank you, Mr. Speaker.

I rise to lay on the Table of this honourable House, The Annual Report 2023 – Port Authority of the Cayman Islands.

The Speaker: So ordered. Does the Honourable Deputy Premier wish to speak thereto?

Hon. Kenneth V. Bryan, Deputy Premier: Very quickly, Mr. Speaker. Just to say that the Port has received an unqualified opinion by the Auditor General on its financial statements, and has made a surplus for the year 2023, with an increase of 3 per cent from 2022.

I encourage all Members of this honourable House to peruse the report with the successes the board is having. Thank you.

The Speaker: Very well.

**Public Service Pensions Board –
2023 Annual Report and Accounts**

The Speaker: I recognise the Honourable Deputy Governor.

The Deputy Governor, Hon. Franz I. Manderson, ex officio Member responsible for the Portfolio of the Civil Service: Thank you, Mr. Speaker.

Mr. Speaker, I beg to lay on the Table of this honourable House the 2023 Annual Report and Accounts for the Public Service Pensions Board.

The Speaker: So ordered. Does the Honourable Deputy Governor wish to speak thereto?

The Deputy Governor, Hon. Franz I. Manderson: Yes, Mr. Speaker, just briefly.

Mr. Speaker, this past year presented new challenges following a period of unique circumstances resulting from rapid inflation, increasing plan member expectations, and having to continue to prove that stakeholder confidence in the Public Service Pensions Board continued to be well founded. Throughout 2023, the board of directors, the management team and staff demonstrated the ability to innovate during these new times and to deliver even when they had to operate with fewer key personnel. When we reviewed 2023, it again shows the authority at all levels work to deliver on their mission of excellence in member services.

Mr. Speaker, as the pension leader in the Cayman Islands, the Public Service Pensions Fund continues to be the standard, and as of 31st December, 2023, the market value of the Fund was CI$1.134 billion. This was achieved through sound management of the Fund and an exceptional return of 19 per cent for the year, Mr. Speaker. It was this return that ranked the Public Service Pensions Board in the top one percentile of the peer group for performance in the year. I think, Mr. Speaker, that deserves our commendation to the board, the Chief Executive Officer (CEO) and the entire team of the Public Service Pensions Board. They continue to make us proud in their management of our Pensions Fund.

Mr. Speaker, in addition to those outstanding achievements, the Auditor General gave the accounts an unqualified opinion and I think we should go on record and thank the board and the CEO, Mrs. Jewel Evans Lindsey and her team for their outstanding performance in 2023.

I thank you, sir.

The Speaker: Very well.

QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

The Speaker: No answers have been received.

STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

The Speaker: None.

PERSONAL EXPLANATIONS

The Speaker: None.

OBITUARY AND OTHER CEREMONIAL SPEECHES

The Speaker: None.

RAISING OF MATTERS OF PRIVILEGES

The Speaker: None.

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

The Clerk: Banks and Trust Companies (Amendment) Bill, 2024.

The Speaker: One moment, Madam Clerk.

[Pause]

The Speaker: Madam Clerk, would you read the title again for me please?

The Clerk: Banks and Trust Companies (Amendment) Bill, 2024.

**BANKS AND TRUST COMPANIES
(AMENDMENT) BILL, 2024**

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

COMPANIES (AMENDMENT AND VALIDATION) BILL, 2024

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

COMPANIES MANAGEMENT (AMENDMENT) BILL, 2024

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

EXEMPTED LIMITED PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

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

INSURANCE (AMENDMENT AND VALIDATION) BILL, 2024

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

LIMITED LIABILITY COMPANIES (AMENDMENT AND VALIDATION) BILL, 2024

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

LIMITED LIABILITY PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

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

MONETARY AUTHORITY (AMENDMENT AND VALIDATION) BILL, 2024

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

MUTUAL FUNDS (AMENDMENT AND VALIDATION) BILL, 2024

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

PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

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

PRIVATE FUNDS (AMENDMENT AND VALIDATION) BILL, 2024

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

SECURITIES INVESTMENT BUSINESS (AMENDMENT AND VALIDATION) BILL, 2024

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

VIRTUAL ASSET (SERVICE PROVIDERS) (AMENDMENT) BILL, 2024

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

INFORMATION AND COMMUNICATIONS TECHNOLOGY (VALIDATION) BILL, 2024

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

SECOND READINGS

BANKS AND TRUST COMPANIES (AMENDMENT) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

I beg to move the Second Reading of a Bill entitled the Banks and Trust Companies (Amendment) Bill, 2024.

The Speaker: The Bill has been duly moved. Does the Honourable Premier and Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I rise to present the Bill on behalf of the Government. It is a Bill that seeks to amend the Banks and Trust Companies Act (2021 Revision), known as the principal Act, to provide that the application fee for the grant of a licence is non-refundable; and for incidental and connected purposes.

The reasons for the Bill, Mr. Speaker. This section is copied and included in all fee-related speaking notes, so it may seem repetitive but they're similar in their operations. Thus, in the interest of time, based on your kind indulgence and permission, I will just read it for this Bill and not repeat it in all of the other consequential Bills. Thank you.

Mr. Speaker, this Bill is also part of a comprehensive review of fees which the Ministry has undertaken and the same background as previously stated applies to this Bill as well. Again, in the interest of time, I'll refer to the explanations in one Bill and indicate it as I move along.

Mr. Speaker, the administrative and regulatory fees form an integral part of the government's general revenue. Fees charged by the General Registry and the Cayman Islands Monetary Authority (CIMA) typically account for nearly a third of the government's total revenue. These fees are generally charged for the provision of a service, they help bring in needed revenue for government programmes, and most importantly, Mr. Speaker, they serve to cover cost incurred for the provision of the said services.

Mr. Speaker, our fee structure is such that there is no automatic method by which the fees charged are regularly reviewed. They are set either within primary legislation within Schedules or by secondary legislation known as Regulations. The Ministry of Financial Services and Commerce “the Ministry”, initiated a general review of all the fees being charged by the Registry and CIMA in 2023. This review has identified that a wide majority of the regulatory or administrative fees have not been reviewed in five, 10 or in some cases 15 years. Mr. Speaker, the cost incurred by the Registry and CIMA for the services they provide have increased steadily over the past 10 years, in line with inflationary forces, the implementation of new global standards and the implementation of new systems and personnel.

The Ministry has identified that the fees currently being levied have not kept up with these increasing expenses and are due for a revision. The Ministry is aware of the deep impact an increase in administrative and regulatory fees may have on our financial services industry. For this reason, the Ministry engaged extremely closely with the Registry, CIMA and industrial stakeholders in preparing the legislation that we'll see here today. The Ministry also engaged with two consultants, with heads of industrial associations and their members, with the proposed fees in accordance with proper policy development procedures and revised certain fees based on feedback that the Ministry received.

Mr. Speaker, this amendment to the Banks and Trust Companies Act forming part of a legislative package, ensures that the fee measures as contemplated for 2024-2025 are appropriately provided for in legislation. It also ensures, Mr. Speaker, the sustainability of the Registry’s and CIMA’s future activities including providing services and applying fees. Validation provisions are also included in certain Bills to ensure that services provided by the said Registry and CIMA are supported in primary legislation.

The summary of the Bill, Mr. Speaker. It provides that the application fee for the grant of a licence is non-refundable. The Bill is arranged in four clauses.

Clause 1 provides the short title and the commencement of the said legislation.

Clause 2 amends section 6 of the principal Act to improve on the paragraphing of the provision in keeping with the modern legislative drafting practices.

Clause 3 amends section 27(1)(a) of the principal Act to adjust the cross references to section 6(1). This is as a consequence of the amendments to section 6 of the principal Act.

Clause 4 provides the transitional arrangement for applications for which a decision is pending on the day immediately preceding the commencement of this amending Act. The application fee for those applications will be refundable.

In conclusion, Mr. Speaker, I wish to thank the Ministry staff and the Legislative Drafting Department for their efforts with respect to the design and preparation of the Bill. Also, the former Minister, Members of the House, Members of Cabinet and the Parliamentary Secretaries for their anticipated support. Further, I wish to convey my very sincere and deep gratitude to the Members of the Official Opposition for agreeing up front to form a quorum for the House so that these important legislative Bills can see safe passage and we can continue with the longevity and sustainability of the finances within this jurisdiction.

I therefore commend the Banks and Trust Companies (Amendment) Bill, 2024 to this honourable House for a second reading and ask that all Members support it.

I wish also to thank the Member for Bodden Town West— for the avoidance of doubt, even though it's against the rule, I ask for your indulgence— Mr. Chris Saunders for his support in these financial Bills as well. Mr. Speaker, although I did not directly hear from the Member for Savannah, I know based on his background and indications that had he not supported it, he would express it. Thus, I wish to also convey my gratitude for his support of these Bills. Thank you.

[Inaudible interjection]

The Premier, Hon. Juliana Y. O’Connor-Connolly: Newlands. That's a Freudian slip, but I'm sure the same goes for the Member for Savannah.

The Speaker: Thank you, Madam Premier.

Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]*

The honourable Member for West Bay South. I’ve got to get used to this new nomenclature.

Mr. André M. Ebanks, Elected Member for West Bay South: Good morning, and thank you, Mr. Speaker.

I rise to support the Banks and Trust Companies (Amendment) Bill, 2024. Wholeheartedly, I'd like to thank the Ministry and Legislative Council for their hard work on this Bill and the others.

The Member for West Bay Central, the Member for Prospect, the Member for Savannah, the Member for Newlands and I, although these did not meet the 28 day notice period, could see the urgency and had no difficulty in accepting them, Mr. Speaker which will assist in the raising of revenue for planned expenditure in 2025.

As the Premier mentioned in her contribution, there was a very comprehensive fee review of all Monetary Authority licence fees and General Registry fees which had significant industry consultation. I think, industry for the most part, as far as I can recall, were at least willing to accept the fee increases for the reasons that the Premier outlined. I do recall that the Class A banks may have had some consternation about their proposed fee increases. Thus, I wonder whether the Honourable Premier, in her right of reply, may be able to update the House and the public as to the fees that will be charged to Class A banks. I haven't seen regulations posted to that effect on the Gazette website because I believe they would form part of secondary legislation, and those fees, I believe, will fall due to CIMA as of 1st January of next year.

With that Mr. Speaker, we support the Bill and commend all involved for their contributions and hard work. Thank you, Mr. Speaker.

The Speaker: Thank you.

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 no other Member wishes to speak, I'll invite the Honourable Premier to exercise her right of reply.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

I wish to thank the Member for West Bay South for his contribution and it begs the reply on two particular points.

Firstly, yes, the Bill did not meet the 28 days but by virtue of section 77 of the Constitution, which Mr. Speaker, you are more than familiar with, there is a provision in the case of emergency where the proposed change would require the Premier to signify that the Bill is too urgent to permit the 28 days. I wrote when I was in London on other business a couple of weeks ago, to your good self, indicating that I would be utilising section 77 of the Constitution for these very important pieces of legislation.

Secondly, I am reliably informed by the very able and capable Dr. Dax [Basdeo], Chief Officer that there are no changes for the Class A licence and fees at this time, other bank fees will be raised.

I thank you, Mr. Speaker.

The Speaker: Thank you Madam Premier.

For the record, I wish to confirm that the Premier wrote to me, as Speaker, certifying under section 77(2) of the Constitution, that these Bills, that is, all of the financial services Bills required to be passed at this Meeting, would not meet the 28-day requirement. However, due to the importance and urgency of having these passed she was invoking said section, which is what the Constitution requires.

All those in favour of the Banks and Trust Companies (Amendment) Bill, 2024, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Banks and Trust Companies (Amendment) Bill, 2024 was given a second reading.

COMPANIES (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill entitled the Companies (Amendment and Validation) Bill, 2024.

The Speaker: Very well. Does the Honourable Premier and Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes, thank you, Mr. Speaker.

Mr. Speaker, I rise once again to present the Bill on behalf of the Government. It is a Bill that seeks to amend the Companies Act (2023 Revision) to provide for the applications for name reservation; to provide for the charging of fees for administrative services; to expand the list of transactions in respect of which express fees may be paid; to validate certain revenue collection actions of the Registrar; and for incidental and connected purposes.

Mr. Speaker, administrative and regulatory fees form an integral part of any government's revenue. Therefore, fees charged by the General Registry and CIMA typically account for nearly a third of the government's total revenue. These fees are generally charged for the provision of the various services, they help bring in needed revenue, and most importantly, because of financial services being such an important role player for our revenue, it covers the costs necessary for the provision of these services. Our fee structure is such that there is no automatic way to raise them and so we have to bring them, as we brought today, and set primary legislation, in some cases within Schedules or by secondary legislation such as Regulations.

Mr. Speaker, the Ministry of Financial Services and Commerce, as I said, did a review back in 2023 and this is one of them that we found that needed to be amended.

Mr. Speaker, the costs incurred by the Registry and CIMA for the services they provide have increased steadily over the past 10 years; and in line with inflationary forces, the implementation of new global standards which required much more human resources and the implementation of new systems together with this personnel, the Ministry has identified that the fees currently being levied certainly have not kept up with the increase in expenses and are due for the revision. The Ministry is aware, of course, any increase would have an impact, and for this reason the necessary due diligence was done where consultation and collaboration was engaged with CIMA, the Registrar and industrial stakeholders. They also engaged, as I indicated, with two consultants, with heads of the industry association and members, [and] we now have the proposed fees. In accordance with the proper policy development and procedures, [we] revised certain fees based on the feedback that was received.

Mr. Speaker, the Amendment to the Companies Act (2023 Revision) which forms part of the legislative package will ensure that a few measures as contemplated for the 2024-2025 budget are appropriately provided for in legislation. It also ensures the sustainability of continued revenue for the Registry and for CIMA's future activities including the provision of these services and applying fees. The validation provisions are included in certain Bills to ensure that the fees charged by the Registry and CIMA are in fact and indeed supported by the primary legislation.

Mr. Speaker, the Bill provides for applications for name reservation, the charging of fees for administrative services, to increase express fees and to expand the list of transactions in respect of which express fees may be paid. The Bill also validates certain revenue collection actions of the Registrar before the commencement of this said legislation, and it provides for incidental and connected purposes.

Mr. Speaker, the Bill is arranged into nine clauses.

Clause 1 provides for the short title and the commencement of the legislation.

Clause 2 amends the principal Act by inserting a proposed section 29A. The proposed section 29A provides for the making of applications to the Registrar to reserve a specified name for a company for a period of up to four months.

Clause 3 amends the principal Act by repealing and substituting section 159. The substituted section 159 provides, among other things, that before the name of a company may be restored to the register, the company shall pay a reinstatement fee equivalent to two times the original incorporation or registration fee.

Clause 4 amends the principal Act by inserting a proposed section 199A. This proposed section 199A provides for the payment of prescribed fees to the Registrar in respect of prescribed administrative services set out in Part 8 of Schedule 5.

Clause 5 amends the principal Act by repealing and substituting section 200. The substituted section 200 provides for additional categories of transactions which may be expedited upon the payment of an express fee and to increase the express fees in respect of existing transactions.

Clause 6 amends section 283 of the principal Act to provide, among other things, that regulations made by Cabinet under the legislation may prescribe any fees payable under the legislation.

Clause 7 amends Schedule 5 of the principal Act to introduce fees for an application to the Registrar to reserve a specified name for a company as a consequence of the insertion of the proposed section 29A.

The clause also amends Schedule 5 of the principal Act by inserting Parts 8 and 9. The proposed Part 8 sets out the administrative services which may be provided and their corresponding fees. The proposed Part 9 sets out the various transactions in respect of which express fees may be charged and specifies the respective amounts of the express fees.

Clause 8 deals with the validation of fees collected, without statutory authority, by the Registrar. Where those fees were charged and collected prior to the commencement of this amending and validating legislation, this clause seeks to validate the collection of those fees by the Registrar as if the Registrar was empowered to do so under this amending and validating legislation.

Clause 9 provides that this amending and validating legislation does not affect any order or determination made by a court relating to fees collected by the Registrar without statutory authority for any service provided by the Registrar before the commencement of this amending and validating legislation.

In conclusion, Mr. Speaker, I wish to thank once again, the Ministry's staff, the former Minister of Financial Services and the Legislative Drafting Department for all of their efforts in respect of the design and preparation of the Bill.

I therefore, Mr. Speaker, commend the Companies (Amendment and Validation) Bill, 2024, to this honourable House for a second reading and look forward to the full support of the House.

The Speaker: Thank you, Madam Premier.

Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]*

The honourable Member for West Bay South.

Mr. André M. Ebanks: Thank you, Mr. Speaker and thank you to the Premier and the Government for bringing the Companies (Amendment and Validation) Bill, 2024.

I only have one brief question that I wonder whether the Honourable Premier could address in her right of reply. In that, I believe if I heard the Honourable Premier correctly in her statement in relation to the Unaudited [Quarterly] Financial Report for the Nine-Month Period Ended 30 September 2024, was the deferring of the proposed Department for International

Tax Cooperation fees which did not come about in 2024 based on industry consultation, that the manner in which they were first proposed would have been difficult or challenging for that department to collect since historically, it had not collected fees. However, the industry group advised that a more efficient way to collect the same fee would be through the raising of specific company administrative fees. Hence, my question is whether or not by secondary regulation or otherwise, will those fees now be collected so that they would assist with the budget which was supposed to be for the Department for International Tax Cooperation because I believe the projected raise was north of $12 million.

Other than that, thank you to the Government and thank you for all involved who participated in the design and the completion of this Bill.

Thank you, Mr. Speaker.

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 no other Member wishes to speak, I'll invite the Honourable Premier to exercise her right of reply.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Only to thank Members again for their tacit support and the former Minister for his contribution and question. I'm reliably informed and can concur that they (the Regulations) were in fact approved in Cabinet and they will come into force for January 2025.

Thank you, Mr. Speaker.

The Speaker: The question is that a Bill shortly entitled the Companies (Amendment and Validation) Bill, 2024 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 and Validation) Bill, 2024 was given a second reading.

COMPANIES MANAGEMENT (AMENDMENT) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill entitled the Companies Management (Amendment) Bill, 2024.

The Speaker: The Bill has been duly moved. Does the Honourable Premier [and] Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes, Mr. Speaker. Thank you.

Mr. Speaker, I rise to present the Bill, again, on behalf of the Government. It is a Bill that seeks to amend the Companies Management Act (2024 Revision), being the principal Act, to provide that the fee for an application for a licence is non-refundable; and for incidental and connected purposes.

We see as a recurring theme, because of the fact that there is no automatic method in collecting, it's necessary to bring this specific legislation for a number of these financial services transactions. It's been a number of years, some five, 10, 15, that they have not been implemented [so] the Ministry undertook an exercise and this is one of the by-products of that exercise. The amendment of the Companies Management Act will form part of the legislative package and it will ensure that the revenues as projected and deeply relied on in our budget for 2024-2025 will get sufficient revenue to not only meet the needs of the country, but more importantly, the needs of the financial services as that is our golden egg since the early seventies and hopefully it will be for a long time to come.

By way of summary, Mr. Speaker, the Bill provides that application fee for the grant of a licence is non-refundable. The Bill is arranged in two clauses.

Clause 1 provides the short title and commencement of the legislation. The Ministry being aware of the impact, as I indicated, took great time to ensure that there was great consultation.

The resulting effect is that Clause 2 will seek to amend section 5(6) of the Companies Management Act (2024 Revision) to provide that the fee for an application for a licence would be non-refundable. Even though it seems mundane, it will help collect the revenue.

I'm asking that all Members of this honourable Parliament support this, as I conclude by thanking once again, all of those involved in the drafting, research and the collaboration of this. With that, I commend the Companies Management (Amendment) Bill, 2024 to the honourable House for its second reading.

The Speaker: Thank you, Madam 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 no other Member wishes to speak, Madam Premier, I'll invite you to close the debate on the Bill. I can't say the right of reply because there's nothing to reply to.

[Laughter]

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker, for your invitation to treat in the closure of this debate on the Bill, and I so do. May it please you.

The Speaker: Thank you.

The question is that a Bill shortly entitled the Companies Management (Amendment) Bill, 2024 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 Management (Amendment) Bill, 2024 was given a second reading.

EXEMPTED LIMITED PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill entitled Exempted Limited Partnership (Amendment and Validation) Bill, 2024.

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

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker. Yes, sir.

Mr. Speaker, I rise to present the Bill, again on behalf of the Government. It's a Bill that seeks to amend the Exempted Limited Partnership Act (2021 Revision) to provide for applications for name reservation; to provide for the charging of fees for administrative services; to expand the list of transactions in respect of which express fees may be paid; to introduce new fees; to validate the Exempted Limited Partnership Regulations, 2014; to validate certain revenue collection actions of the Registrar; and for incidental and connected purposes.

Mr. Speaker, again, it goes without saying that these are necessary. We look forward to the full support as it will bring in additional revenue to the country. It has been some time and it will bring in fees. I say again so that persons just don't think it was arbitrarily done, it was done in a collaborative, consultative process with consultants there; not only within the Ministry but with the stakeholders as well. Now that the review has been completed, and the consideration has been taken for whatever impact it would have on the industry, we feel free that we're able to present this Exempted Limited Partnership Act which will form part of the legislative package so that we can continue to ensure the sustainability of the Registrar and CIMA's future activities and the provision thereof; and also the application of the fees.

Mr. Speaker, the Bill validates the Exempted [Limited] Partnership Regulations, 2014 and certain revenue which was collected by the Registrar before the commencement of the legislation; and provides for incidental and connected purposes. As I indicated, it will also introduce new fees.

Clause 1 as is customary provides for the short title and commencement of the legislation.

Clause 2 amends the principal Act by inserting a proposed section 5A. The proposed section 5A provides for the making of applications to the Registrar to reserve a specified name for a company for a period of up to four months.

Clause 3 amends the principal Act by inserting a section 12A. This proposed section 12A provides for the payment of prescribed fees to the Registrar in respect of the prescribed administrative services.

Clause 4 amends the principal Act by repealing and substituting section 13. The substituted section 13 provides for additional categories of transactions which may be expedited upon the payment of an express fee and to increase the express fees in respect of existing transactions.

Clause 5 amends section 36 of the principal Act. It also introduces a prescribed fee which is to accompany the filing of a notice of dissolution with the Registrar.

Clause 6 amends section 41 of the principal Act and it introduces a prescribed fee for deregistration pursuant to a partnership agreement.

Clause 7 amends section 42 of the principal Act to provide for the payment of the prescribed administrative fee where a foreign limited partnership ceases to be a general partner of an exempted limited partnership, in addition to the requirement to notify the Registrar.

Clause 8 amends section 48 of the principal Act to provide that regulations made under the principal Act may also be made in respect of matters relating to foreign limited partnerships. The clause also amends section 48 of the principal Act to clarify that regulations made under the Act may prescribe fees payable to the Registrar in respect of administrative services under the legislation.

Clause 9 provides for the validation of Exempted Limited Partnership Regulations, 2014, to the extent that the Regulations provided for matters relating to the foreign limited partnership without statutory authority. The effect of this clause, Mr. Speaker, is that notwithstanding the aforementioned defect, the fees paid to the Registrar in respect of foreign limited partnerships and any forms for translation certificates submitted in respect of foreign limited partnerships, are validated and deemed to have been paid or submitted.

Clause 10 deals with the validation of fees collected, without statutory authority, by the Registrar. Where those fees were charged and collected prior to the commencement of this amending and validating legislation, this clause, Mr. Speaker, seeks to validate the collection of those fees by the Registrar as if the Registrar was empowered to do so under this amending and validating legislation.

Clause 11 provides that this amending and validating legislation does not affect any order or determination made by a court relating to fees collected by the Registrar without statutory authority for any service provided by the Registrar before the commencement of this amending and validating legislation.

Mr. Speaker, in concluding once again, I wish to thank the former Minister, the Ministry's staff, the Legislative Drafting [Department], all Members of Cabinet and certainly all Members for coming to form the quorum so that we could get yet another important piece of legislation through today.

I thank you, Mr. Speaker.

The Speaker: Thank you, Madam Premier. Does any other Member wish to speak? *[Pause]*

The Member for Bodden Town West.

Mr. Christopher S. Saunders, Elected Member for Bodden Town West: Thank you, Mr. Speaker.

My contribution is going to be brief, but it pretty much relates to my general view of all these Bills that we're looking at, with regard to financial services, and I think it's just worth bringing this to the House and to the public's attention.

Mr. Speaker, when you look at the Economics & Statistics Office (ESO) Labour Force Survey Report Spring 2022, you will see that financial [and] insurance activities employed a total of 4,691 persons, of which 2,882 were Caymanians and 1,808 were non-Caymanian. When you look at that report, Mr. Speaker, and then take into consideration the spring 2024 report, you will see that the total number of people in the labour force increased from 52,764 in 2022, to 61,003 in 2024 which represents an increase of 8,239 persons between spring 2022 and spring 2024. However, when you look at the number of people employed in financial services in 2024, despite the overall labour force being increased by 8,239, the total number of people employed in financial and insurance activities actually decreased from 4,691 in 2022 to 4,685.

Mr. Speaker, I chose to bring up that issue just to highlight one general point. When you look at the importance that financial services play to our overall economy and the large percentage of our gross domestic product (GDP) derived from financial services, it's important for Members and the public to recognise:

1. the importance of this industry, but
2. We need to recognise that it is still an industry that is not growing.

While we have taken many steps to improve our regulations and the services being offered by financial services, I think we need to move from a position of playing defence. We have been very defensive in financial services for the longest while, Mr. Speaker, and you and all Members are aware of the pressures borne by financial services. At this point, we need to start looking at ways in which we can start growing this industry because during the same period, when you look at the number of Caymanians employed in that same section, it actually decreased, compared to the other way around. So, it's just something I think that we need to take stock of and start focusing now on growth. I think we have done a good job in terms of playing defence but we need to start playing in terms of growth.

When you look at the other competitors out there, I think this is the right time. When you look at all the different challenges going on in China and elsewhere that we can start getting more business out of Hong Kong and other sides of the world. While I'm happy to see that the government has opened up these overseas offices, I think we need to start looking at getting the industry together and seeing what opportunities we can have to grow this industry.

Mr. Speaker, when you take financial services and you look at the number of people employed, you can basically put those people into two categories, those who are hunters and those who are farmers. When you look inside the industry, there are very few people who are employed who are actually the ones bringing in the business, developing the business or basically hunting the business to bring here. Many of the people who are employed in financial services are general people who take care of the business after it arrives. We need to start looking at ways in which we can equip our hunters to go out and actually grow the sector. It is too vital and we're not seeing the job growth in it as we expected.

I know we have our own challenges and it is dependent on many overseas factors and many external factors but I think it's something that every Member in this House should be aware of, that this is one industry that is not growing when the rest of the labour force is growing. When you understand Economics 101, that you have people who are demand and those who are supply; this is a demand industry. This is the industry that drives the construction industry and drives other industries because it is the money or the people who employ in this industry that basically move our GDP. Again, it's just something I think that we need to be conscious of and start seeing how we can actually grow this industry.

Thank you, Mr. Speaker.

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

The honourable Member for West Bay South.

Mr. André M. Ebanks: Thank you, Mr. Speaker. I'll be brief.

I'd like to thank the Government for bringing the Exempted Limited Partnership (Amendment and Validation) Bill, 2024. Probably as a natural extension of the points made by the Member for Bodden Town West, while we do need to increase the fees due to the last time they faced an increase, I wonder whether or not the Honourable Premier in her right of reply could answer.

As far as I remember, there were commercial enhancements planned for the Exempted Limited Partnership Act, and I don't think the ball rested with the Ministry; I think the ball rested with the financial services legislative committee. I wonder whether or not that committee has returned to the Ministry to finalise their recommendations because as the Member for Bodden Town West indicated, while regulation needs to be done, while fees do need to increase over time, it's also good to balance that with commercial enhancements that are appropriate and fit within the framework. As far as I remember, the commercial enhancement proposals by the financial services legislative committee were relatively uncontroversial and would increase the product, and that product of the exempted limited partnership is the primary vehicle for private funds which of course, generate large revenue and their assets under management are far larger than traditional mutual funds/hedge funds. If there is going to be a Meeting of the House in January, I would imagine that that might be one that we may want to get over the line to polish and enhance this very successful product.

In addition to that, I think the other extension of the Member for Bodden Town West's point is not necessarily in the numbers because as the Premier outlined in the unaudited report of the last nine months, the numbers are up. What's more so not happening is the growth of the substance in the country because a large part of the industry is being outsourced and there are a variety of factors that relate to that in terms of the treatment in the labour force and the speed in which you can get professionals here in the public sector and the private sector. That's not something that's going to be answered today but I just acknowledge the Member for Bodden Town West's point because it is something that in the coming months, either in this Administration [but] more likely in the next administration will need to be grappled with in order to further support and grow financial services, its substance in the country and the jobs that are in the country.

Thank you, Mr. Speaker.

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, then I'll invite the Premier to exercise her right of reply.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I wish to thank the two Members who rose to contribute to this important piece of legislation. I wish, in particular, to thank the Member for Bodden Town West for his keen analytical eye, always looking at the surveys that are coming out from finance in particular, the Labour Survey and taking cognisance of the fact, Mr. Speaker, of the number of Caymanians who are involved in the industry and being also desirous, as of all Members I would imagine within this honourable House, to see more Caymanians employed as we endeavour to build the middle-income wealth within the nation.

Mr. Speaker, I also can say that with the advent of the overseas offices, which were started under your good self before you demitted office to a much higher position, the necessity for the establishment of overseas offices was not just aspirational, it was put well into force. This Government—when it came in with the former Minister, the Member for West Bay South—continued that with the Ministry's staff. So the offices, we believe, will be good continuance that will allow us to be much more proactive to grow and diversify the industry so that when the question is asked, *who are we developing for*? That it would be a collaborative approach.

Obviously, we can think outside the box to ensure as we did with teachers; we can look at the scholarships provision to identify the ones who come from our schools and do extremely well. When I grew up, I came up at a time where the chief officers and those who were in personnel would go to the graduations and they would do the hunting as it is done in basketball and baseball to try to get the brightest of the Caymanians to bring this service. I want to commend the Honourable Deputy Governor for the efforts that they make within the Civil Service to almost head hunt those bright Caymanians and try to keep the remuneration and the benefits up to a level that is competitive within the Civil Service that we can ensure that we have a good cadre of Caymanians to meet the needs of this very important industry.

We are also continuing to work, Mr. Speaker, with Cayman Finance to increase with the promotions that are necessary; and we are currently working with Cayman Finance to discuss strategies for growth. As with any other asset, Mr. Speaker, with nation growing it has always been my mantra that *all hands on deck* is a much better success formula. I would invite those who have ideologies not to just save them for campaign manifestos, but we would wish, as the Member for West Bay South, when the House next convenes whether it's in January or February, to have that ready to bring to Parliament because we believe it's the next step, a very significant and important component for the continued success of the financial services within the jurisdiction.

Finally, Mr. Speaker, I'm reliably informed that the work of the Financial Services Legislative Committee is continuing and we will endeavour, bar circumstances beyond our control, to have that ready for when the House next convenes should that be the guidance of those who make up the quorum of this House.

I thank you.

The Speaker: The question is that a bill shortly entitled the Exempted Limited Partnership (Amendment and Validation) Bill, 2024, be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: Exempted Limited Partnership (Amendment and Validation) Bill, 2024, was given a second reading.

INSURANCE (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill duly entitled the Insurance (Amendment and Validation) Bill, 2024.

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

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I rise once again to present the Bill on behalf of the Government which seeks to amend the Insurance Act, 2010, being the principal Act to provide for the application fee for the application for a licence or for registration as a portfolio insurance company is non-refundable; to provide for the payment of annual fees by persons registered under the Act; to amend the provisions relating to the registration of exempted companies as portfolio insurance companies; to validate the charging and indeed the collection of annual fees in respect of portfolio insurance companies; and for incidental and connected purposes.

Again, Mr. Speaker, this is one of the packages of fees that we're bringing that is resultant out of the consultation that was done, and we will see that the Bill is arranged into eight clauses.

Clause 1 provides for the short title and the commencement of the legislation.

Clause 2 amends section 4 of the principal Act to provide for the prescribed application fee for a licence which is non-refundable.

Clause 3 amends section 7 of the principal Act to provide for the payment of annual fees by persons registered under the said legislation, and in respect of whom a licence is not required to carry on insurance business.

Clause 4 amends section 28B of the principal Act to provide, among other things, that the prescribed application fee for registration as a portfolio insurance company is non-refundable. The clause also amends section 28B to provide for certain requirements to be satisfied by a portfolio insurance company that wishes to remain registered.

Clause 5 amends the principal Act by inserting a proposed section 39A. This proposed section 39A empowers the Cabinet to waive or reduce any or all of the fees pertaining to a licence or registration under the legislation in relation to any person or group of persons in Cayman Brac or Little Cayman.

Clause 6 deals with the validation of annual fees charged and collected by, and any related surcharges assessed by and paid to CIMA without statutory authority, before the commencement of this amending and validating legislation. Mr. Speaker, out of an abundance of caution, I should say that clause 6, although agreed and concurred by me, I was not the inventor nor the one whom suggested for the special treatment for Cayman Brac or Little Cayman— lest there be headlines to the contrary.

Clause 7 provides that this amending and validating legislation does not affect any order or determination made by a court relating to annual fees charged and collected by, and any related surcharges assessed by or paid to, CIMA without statutory authority, before the commencement of this amending and validating legislation.

Clause 8 provides for the transitional arrangement for applications for a licence or registration for which decisions are pending on the day immediately preceding the commencement of this legislation. The application fee for these applications will also be refundable.

Mr. Speaker, it leaves for me just to, once again, thank the former Deputy Premier and Minister of Financial Services, now the Member for West Bay South for his work in seeing this package and slew of Bills come to the House to raise revenue, as well as the competent Chief Officer and all of their staff, the Legal Drafting [staff], Members of Cabinet and Parliamentary Secretaries for agreeing for this and for those who have come to form quorum today, without which we could not have these Bills considered, and hopefully, duly passed.

The Speaker: Thank you, Madam Premier.

Does any Member wish to speak? *[Pause]* Does any Member wish to speak? *[Pause]*

The honourable Member for West Bay South.

Mr. André M. Ebanks: Thank you, Mr. Speaker.

I commend the Government and the Premier for bringing the Insurance (Amendment and Validation) Bill, 2024. One point I wanted to expand on is that insurance and reinsurance is an area of financial services that is, in fact, growing; it is growing significantly and bringing businesses that do add substance to the country. I'm aware of at least two, maybe three, young Caymanians who have recently qualified as actuaries, which is a very technical job and they have landed jobs with new insurance or reinsurance licensees.

One of the ideas that we have that hopefully wouldn't need another Meeting of the House—or need to be inserted in a manifesto, because it's pretty straightforward—was to add a category in the insurance framework which could be put forward, I think, by regulations to implement or enact a new class B(iv). The reason for that, Mr. Speaker, is because initially, as constructed, B(iii)s were the smaller insurance companies and class D are the large reinsurance companies.

However, we're now starting to see a growing healthy trend of insurance companies that are migrating or establishing in Cayman who are too large to fit within the band as designed for B(iii), but not necessarily as large to be a class D. This means that if a B(iv) is implemented, that should have a healthy growth with employment in the country, and then hopefully they will be able to graduate on to being class Ds which are the very, very large reinsurers, and that has a complement with our private funds industry.

I just wonder whether or not the Honourable Premier in her right of reply could provide an update as to whether or not the class B(iv) proposal will be attempted to be enacted before the end of this administration. Thank you, Mr. Speaker.

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 no other Member wishes to speak, I'll invite the Honourable Premier to exercise her right of reply.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker. I thank Members for their tacit support. Thanks to the Member of Parliament (MP) for West Bay South for his contribution.

As for his question as it relates to B(iv), I'm reliably informed that it is possible—anything is possible. Obviously we would need the approval and permission from Cabinet to draft the necessary amendments. CIMA has a number of changes that they want, to make it more robust. Elections have been declared for the 30th April, chances are we may have one more sitting of this honourable Parliament, this Christmas in between.

Not only was I, without notice, thrown in to go and negotiate it in the UK—which I did in the interest of the country, [I was also given] some 13 bills which I tried, and am still trying, to wrap my head around to present because they are important. I'm extremely grateful for the full support and collaboration we have here today, but I cannot stand here today to give the commitment that it will actually come, because it's a huge portfolio and I received no briefing notes.

The Speaker: The question is that a Bill shortly entitled the Insurance (Amendment and Validation) Bill, 2024, be given a second reading. All those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Insurance (Amendment and Validation) Bill, 2024 was given a second reading.

LIMITED LIABILITY COMPANIES (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill entitled the Limited Liability Companies (Amendment and Validation) Bill, 2024.

The Speaker: The Bill has been duly moved. Does the Honourable Premier and Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes. Thank you, Mr. Speaker.

Mr. Speaker, I rise again to present the Bill on behalf of the Government and the people of the Cayman Islands. It's a Bill that seeks to amend the Limited Liability Companies Act (2023 Revision) being the principal Act in order to provide a statutory basis for the Registrar's collection of fees for several of the General Registry's services. It is also seeking to validate specific previous revenue collections by the Registrar and for incidental and connected purposes.

Mr. Speaker, as I move to the summary of the Bill, clause 1 provides the short title and commencement of the legislation as is customary with drafting.

Clause 2 amends section 46 of the principal Act. Section 46 empowers the Registrar to register a plan of merger or consolidation between two or more limited liability companies. Clause 2 further amends section 46 to empower the Registrar to charge a fee for the registration of the plan of merger or consolidation.

Clause 3 amends section 50 of the principal Act. Section 50 empowers the Registrar to register a plan of merger or consolidation between one or more limited liability companies and one or more exempted companies. Clause 3 further amends section 50 to empower the Registrar to charge a fee for the registration of the plan of merger or consolidation.

Clause 4 amends section 51 of the principal Act. Mr. Speaker, section 51 empowers the Registrar to register a plan of merger or consolidation between one or more limited liability companies and one or more foreign entities. Clause 4 further amends section 51 to empower the Registrar to charge a fee for the registration of the plan of the merger or consolidation.

Clause 5 amends section 56 of the principal Act. Section 56 enables an exempted company to be reregistered as a limited liability company. Clause 5 amends section 56 to provide also for an application under this section to be termed as an ‘application for reregistration’ and not a ‘conversion application’.

Clause 6 inserts into the principal Act a proposed new section 59A and section 59B. The proposed new section 59A, Mr. Speaker, would empower the Registrar to charge a fee for the provision of administrative services. The proposed new section 59B would set out a statutory basis for the Registrar to provide certain express services for a prescribed fee (for example, express services in respect of an application to convert an exempted company into a limited liability company).

Clause 7 and 8 deal with the validation of fees that have been collected without the requisite statutory authority by the Registrar. Where those fees were charged and collected prior to the commencement of this amending and validating legislation, clause 7 would now, if passed, validate the fees as if the Registrar was empowered under this amending and validating legislation. Clause 8 provides that this amending and validating legislation does not affect a court order, as in the previous ones, relating to fees collected by the Registrar without the statutory authority for any service provided by [the Registrar] before the commencement of this amending and validating legislation.

Mr. Speaker, in conclusion again, I wish to thank the former Minister, MP for West Bay South; Chief Officer, Dr. Dax Basdeo and his able staff; and the drafting team as well for the many hours that they spent throughout this past 3.5, almost 4 years drafting all legislation, but in particular the financial regulations and legislation which were very, very necessary for the continued success of the industry and the services.

Mr. Speaker, I therefore commend the Limited Liability Companies (Amendment and Validation) Bill, 2024 to the honourable House for its second reading.

The Speaker: Thank you, Madam 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]*

The honourable Member for George Town East.

Mr. Roy M. McTaggart, Elected Member for George Town East: Thank you, Mr. Speaker.

Mr. Speaker, I am not really looking to debate the Bill. I totally support all of them here today, but I’m looking for a bit of clarity and further information.

Mr. Speaker, a number of these Bills this morning are seeking to implement and to validate the collection of fees by the related government entity that they have been collecting over a number of years. I commend the Ministry for the exercise that they have undertaken and for identifying the issue that the legislation that they're responsible for did not include these provisions for the collection of fees. Some of them in particular, I think, like the Companies Management Act, goes back some 60 years, so they've probably been collecting fees for that period of time in which there was no validation.

My question is— and I’m not sure if the Premier would know the answer, perhaps if even the Attorney General might indicate whether he is aware as well. We also have a validation Bill to deal with here today and I think we did at least one other one last year for another piece of legislation; so it indicates to me that there might be a wider issue throughout government with regard to all of our legislation, whether they all include proper validation clauses. I'm just curious to know whether there might be some programme under way within government to look at all the legislation to make sure that we have proper validation clauses in our legislation for the collection of the revenues which related entities are responsible for.

With that, Mr. Speaker, I commend the Bill as well and all the others. Thank you.

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 no other Member wishes to speak, I'll invite the Honourable Premier to exercise her right of reply.

The Premier, Hon. Juliana Y. O’Connor-Connolly: Thank you, Mr. Speaker and thanks again to all Members for their implied support and for the Members who spoke.

I wish to do a short response. I think it was a very important point that the Member made and I just wish to say that I'm reliably informed that the Ministry, during its review of the fees, came upon a number of fees that were being collected, but the law did not clearly specify or authorise the collection thereof. The Legislative Drafting Department is well aware of this and they're continuing to scope the existing legislation and of course future legislation to ensure that it's covered so that hopefully we'll soon see an end to the validation. I'm happy that we're not taking a legal point with the validation because as the Member said, it's gone past several decades, and the nice surplus that we have would have a huge dent, to any government, this one or other ones, if we did otherwise. I'm happy for the support for the validation.

[Inaudible interjection]

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you for your indulgence, Mr. Speaker. Just out of an abundance of a more fulsome reply, the honourable Attorney General has confirmed what I intimated. Suffice to say that it will be done Ministry by Ministry; obviously Financial Services would be the most prominent one because that's where the work has started, but the exercise would be from a holistic perspective.

Thank you, Mr. Speaker.

The Speaker: The question is that a Bill shortly entitled the Limited Liability Companies (Amendment and Validation) Bill, 2024 be given a second reading. All those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Limited Liability Companies (Amendment and Validation) Bill, 2024 was given a second reading.

LIMITED LIABILITY PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you again, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill entitled the Limited Liability Partnership (Amendment and Validation) Bill, 2024.

The Speaker: The Bill has been duly moved. Does the Honourable Premier and Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes. Thank you, Mr. Speaker.

Mr. Speaker, this Bill emanates from the same background of the need to bring it up to date to do the various validations that are necessary, as well as to make sure that the fees are relevant.

Clause 1 provides for the short title and the commencement of said legislation.

Clause 2 amends section 37 of the principal Act, Mr. Speaker and it enables a limited liability partnership to terminate its registration as a limited liability partnership by filing written notice of termination of the registration with the Registrar. Clause 2 further amends section 37 to empower the Registrar to charge a fee for the termination of the registration of a limited liability partnership.

Clause 3 inserts [into the] principal Act a new section 45A and 45B. The proposed new section 45A would empower the Registrar to charge a fee for the provision of the administrative services. The new section 45B would set out statutory basis for the Registrar to provide certain express services, also for a prescribed fee.

Clause 4 and 5 deal with the validation of fees to be collected, without statutory authority, by the Registrar, and again, clause 4 would seek to validate the fees as if the Registrar was duly empowered under this amending and validating legislation.

Clause 5 provides that this amending and validating legislation does not affect a court order relating to fees which have been collected by the Registrar without statutory authority for any service provided by the Registrar before the commencement of this amendment and validating legislation.

Mr. Speaker, in conclusion, once again, I want to thank all those members who are probably getting tired of hearing thank you, but it's worthwhile saying thank you to the Member for West Bay South, Chief Officer, Dr. Dax Basdeo and his staff; the Legislative Drafting [Department], and also all Members of Parliament for coming together and agreeing [to] the significance of this important financial slew of Bills.

Mr. Speaker, I therefore commend the Limited Liability Partnership (Amendment and Validation) Bill, 2024 to this honourable House for the Second Reading, and I thank you for your keen ears.

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]*

The Member for Newlands.

Hon. G. Wayne Panton, Elected Member for Newlands: Thank you, Mr. Speaker. I thought I would take the opportunity to clarify, and have someone repeat that I am the Member for Newlands—it was a mistake in reference to Savannah earlier.

Mr. Speaker, I want to just very briefly say, thank you as well to the Government and the Premier for ably bringing these very important amendments so far to this honourable House, and also recognising the significant work that was done in relation to this by the Member for West Bay South.

Mr. Speaker, reference has been made to the significance of the financial services industry. I don't think anyone in this House or in this country would argue with that; it is clearly a very important element of our economy and contributes massively to our gross domestic product and provides excellent opportunities for Caymanians in this country. I agree that we have to continue to find ways to grow those opportunities.

Mr. Speaker, I just wanted to say in relation to the several Bills that we have seen today relating to the financial services industry, there are references to express fees being authorised. In my experience, in the past, financial services businesses are very happy to pay express fees and very grateful for the opportunity to be able to pay those when they need to move very quickly. I think it's probably worth saying though that there have been times in the past when the express fee ends up becoming sort of the *de facto* fee because there is a significant demand.

I am just recognising that we need to be providing excellent services to avoid a situation where the express fees sort of become the *de facto* ordinary fees, creating the perception that our services are becoming more and more expensive. It would be really good if we could try to ensure that those fees do in fact relate to the special delivery of services. That means ensuring that we have the capacity and the capability to continue to provide excellent services to this really important industry.

Thank you, Mr. Speaker.

The Speaker: The Honourable Member for West Bay West.

[Inaudible interjection]

Hon. W. McKeeva Bush, Elected Member for West Bay West: Long, Mr. Speaker—but I've been listening to all Members who have risen so far in recognising the value of the financial services industry. Mind you, when I was Minister and I had all these subjects, and was criticised for it, some of those same people said we shouldn't be spending the kind of money that we were spending in putting services overseas, for instance, in Hong Kong, Dubai, New York, and Washington—and now all of a sudden it's the best thing since sliced bread.

I don't mind that. I do wish sometimes that they would recognise when it was started and when it was stopped, and when it was restarted again and when it was stopped again. I still have a good connection with those people who work in financial services and I do get the complaints. The one thing Mr. Speaker, they don't mind so much paying—many of them would not like to pay, of course, but they have to—but it's not the paying or how much, it is the bureaucracy that has been built up in this country that is slowing down business in this country.

They complain about hiring, but we're even stopping that. Check with some of the companies. I hear all the time, *"Well, we talked with the financial services and they are happy."* They are not happy! The bureaucracy is killing their business and we continue to facilitate it. All day, up there across the pond you've got to ask for it. Not even across the pond, way up in the land up there in Europe. All they have to do is ask for it and we got it. We can't spend money on certain things down here but we can do all sorts of things for FATF, Counter-Terrorist Financing (CTF), Organisation for Economic Co-operation and Development (OECD), and this one and the next.

An Hon. Member: Oh yeah.

Hon. W. McKeeva Bush: Fine. We have to behave ourselves internationally and we have to be seen to be cooperating but we do not have to give away the House. I *gonna* stop right here. You see this thing called beneficial ownership where we have so much acclaim, where we have to do it but no one else has done it yet? Watch for that.

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

The Honourable Deputy Premier.

Hon. Kenneth V. Bryan, Deputy Premier: Thank you, Mr. Speaker.

I just rise to add two things. Firstly, to thank the Honourable Premier for her ability to take a very complicated circumstance, [a] complicated issue as well, but with her capability as a well experienced leader, politician and lawyer, there are no queries as to whether or not she could capably do it. However, the circumstances of the timing, I think, should be highlighted that due to the unfortunate departure of four Members of the Government, she was thrust into a very difficult situation and had to bob and weave, ride and chew gum all at the same time, while already dealing with a number of other matters of governing the country. She's done it with such grace and without even querying. You heard the Honourable Premier say earlier that without even briefing notes, she didn't complain. She's not going to highlight herself so I thought I would step up and do that. I was going to do it at the end of the Bills but just to add a little bit of recognition that is due in my humble opinion to take the number of Bills that are before us, 14 *[sic]* very complicated financial services Bills that the former Deputy Premier brought us, I would say 80 per cent of the way, and the Premier had to take the last stretch of the relay. She must be commended for that.

Mr. Speaker, the second point is that I recognise the good Member for West Bay West's contribution about concerns of beneficial ownership. Over the last 2.5 years as I watched the former Deputy Premier deal with this very important sector of our economy, I've listened to the remarks in this honourable House— and by all means, I am not going to pretend like I'm a master in this industry but I guess a jack of all trades— and my job is to try to understand all elements of our economy. Again, being thrust with the circumstances of the departure of the four Members, I myself had to get a proper debriefing of all the great work that the former Member was doing and to get a full assessment as to the beneficial ownership and the fears and concerns of people. I'm happy to say that I better understand the direction of limited interest access and what it actually means.

I had the pleasure of sitting with the very capable Chief Officer explaining the appropriate manoeuvring that we have to do to stay ahead of the global standard so that we remain attractive but also navigate the balance of external forces. I have to say that I am pleased, and think that the appropriate steps that are being taken are ones that are finding a happy medium on the global stage and that the negotiations by the Honourable Premier, the capable staff within the Ministry of Financial Services, Chief Officer and the Attorney General, and even the previous negotiations by the former Premier are appropriate for where we're trying to keep the standard. The Premier has done this country justice by making sure that that happy medium is there and ensuring not only us here at home that we will not jeopardise the financial services but to send a clear message to the international agencies, as well as our motherland, the UK and the Foreign Office that we are bold enough to hold and stand our ground in respect of this area, not be “guinea pigs” that would potentially put us in jeopardy of losing this very strong industry, which we heard earlier, contributes to over one-third of our revenue.

Thus, though I hear the honourable Member for West Bay West's concerns, I want to let the country also know that yes, we have to navigate this very sophisticated and complicated industry called financial services. Yes, there are many people across the world who would want to take our share of what our forefathers have built so well for us to succeed but I do think that the stakeholders before and now are competent and are guiding and navigating through these turbulent and stormy waters with the appropriate thrust and winds and fuel to get us through. Will the industry continue to evolve and amend? Yes, and we will continue to respond in kind to make sure that it is in the best interest of our industry.

I want to take this opportunity, which I know the Honourable Premier has said many times, but I too, am proud of all the relevant stakeholders from behind the scenes of the legal drafting team, all the members in the Cayman foreign office to facilitate the discussions, the Cabinet Secretary, the Attorney General, obviously, as I said before, the Chief Officer for Financial Services for their great work. I do believe that we can feel comforted that we have stated our position, ensured the industry locally that we will not jeopardise it in any capacity and will continue to be the leaders in respect of financial services, and are open to continuing to grow and expand the services that we offer in a global standard way.

Thank you, Mr. Speaker.

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, then I invite the Honourable Premier and Minister of Financial Services to exercise her right of reply.

The Premier, Hon. Juliana Y. O’Connor-Connolly: Thank you, Mr. Speaker.

Just to thank all Honourable Members for their contribution and to also recognise the Member for West Bay West for his contribution. Successes of any country are built not just by one man, as Rudyard Kipling *[sic]* said**, “no man is an island”**, but certainly once you get the foundation right as Mr. Johnson, Mr. Bush, you, Honourable Speaker; the Member for Newlands when he had Financial Services, and the former Deputy Premier did, and now it's in my lap, it's our awesome responsibility to pick it up whatever stage of the journey it is and to try our best to improve and not regress and that’s the mantra, God give me help until April, that I will do; after that from the sidelines, Mr. Speaker.

The Speaker: The question is that a Bill shortly entitled the Limited Liability Partnership (Amendment and Validation) Bill, 2024 be given a second reading. Those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Limited Liability Partnership (Amendment and Validation) Bill, 2024 was given a second reading.

The Speaker: Honourable Members, I believe now would be a convenient time for the luncheon adjournment and accordingly the House is suspended until 2:30 p.m.

Proceedings suspended at 1.09 p.m.

Proceedings resumed at 2.35 p.m.

The Speaker: Please be seated. Parliament is resumed.

[Pause]

MONETARY AUTHORITY (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O’Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill entitled the Monetary Authority (Amendment and Validation) Bill, 2024.

The Speaker: The Bill has been duly moved. Does the Honourable Premier and Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes. Thank you, Mr. Speaker.

Mr. Speaker, this amendment to the Monetary [Authority] Act again forms part of the legislative package to ensure that measures that have been contemplated and forecasted become a reality for the 2024/2025 budget.

Mr. Speaker, we will note that clause 1 of the Bill provides a short title and the commencement of the legislation.

Clause 2 amends the principal Act by deleting Roman numerals in references to Parts and substituting Arabic numerals.

Clause 3 amends section 46 of the principal Act to empower the Cabinet to make regulations in respect of persons registered under any of the regulatory laws. Clause 3 also amends section 46 of the principal Act to provide that both regulations which deal with the charging of fees for administrative services and regulations which will amend Schedule 2 are subject to affirmative resolution. Further, Mr. Speaker, the clause amends section 46 of the principal Act to provide that certain fees may be prescribed as non-refundable fees.

Clause 4 amends the principal Act by repealing and substituting Schedule 2. Mr. Speaker, the substituted Schedule 2 provides for additional administrative services and their corresponding fees. The substituted Schedule 2 also provides that the specified administrative services are non-refundable.

Clause 5 provides for the validation of fees collected by CIMA without statutory authority, from a person registered under any of the regulatory laws for any administrative service provided by CIMA prior to the commencement of this amending and validating legislation. Where those fees were charged and collected prior to the commencement of this amending and validating legislation, the clause now seeks to validate the collection of the fees by CIMA, as if CIMA was empowered to do so under this amending and validating legislation.

Clause 6 provides that this amending and validating legislation does not affect any order or determination made by a court relating to fees collected by CIMA without this statutory authority from a person registered under any of the regulatory laws for any of the administrative service that CIMA provided prior to the commencement.

Clause 7 provides for the transitional arrangement for the administrative services which are pending on the day immediately preceding the commencement of the said legislation. The fees for those administrative services will be refundable.

Mr. Speaker, it leaves for me then to thank the Chief Officer in the Ministry, Dr. Dax Basdeo and his staff; the Legislative Drafting Department for their efforts with respect to the design and preparation of the Bill, and the MP for West Bay South for the involvement that he had in getting the Bill almost to the finish line. I wish to sincerely thank each and every one who played a role including the industry which was consulted.

Therefore, Mr. Speaker, I commend the Monetary Authority (Amendment and Validation) Bill, 2024 to this honourable House for its second reading.

The Speaker: Thank you Madam 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, then I'll invite the Honourable Premier and Minister of Financial Services to conclude the debate on the Bill.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you very much, Mr. Speaker, and all Members, once again, for their tacit support, and I look forward to the safe passage thereto.

The Speaker: The question is that a Bill shortly entitled the Monetary Authority (Amendment and Validation) Bill, 2024 be given a second reading. All those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Monetary Authority (Amendment and Validation) Bill, 2024 was given a second reading.

MUTUAL FUNDS (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker. I beg to move the Second Reading of a Bill entitled the Mutual Funds (Amendment and Validation) Bill, 2024.

The Speaker: The Bill has been duly moved. Does the Honourable Premier and Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes. Thank you, Mr. Speaker. Once again, I rise to present this Bill on behalf of the Government. Again, [it is] a part of a number of pieces of legislation that we will navigate through Parliament today.

The Bill provides for the charging of fees for certain transactions and to provide that the application fee for a mutual fund licence is non-refundable. The Bill also validates certain revenue collection actions of CIMA prior to the commencement of this legislation. Mr. Speaker, the fee structure, as I indicated, was such that there was no automatic realignment and so it took specific effort through the methodologies of consultation and collaboration to bring us here today.

Clause 1 provides a short title and commencement of the said legislation.

Clause 2 amends the principal Act by deleting Roman numerals in references to Parts and substituting Arabic numerals.

Clause 3 amends section 4 of the principal Act by introducing proposed subsection (11). The proposed subsection (11) provides that a mutual fund shall pay any fees as may be prescribed for the registration of the mutual fund, including the fees for administrative services provided in the filing of an application form or the filing of any amendment to the application form.

Clause 4 amends section 5 of the principal Act by providing that an application for a mutual fund licence shall be accompanied by the prescribed non-refundable application fee and any fees as may be prescribed for the administrative services provided in respect of the application.

Clause 5 amends section 29 of the principal Act by introducing a proposed subsection (2A). The proposed subsection (2A) provides that a mutual fund shall submit to CIMA a return in the prescribed form and manner, at such intervals as may be prescribed. The proposed subsection also provides that the return shall be accompanied by the prescribed fee.

Clause 6 amends the principal Act by introducing a proposed section 36A. The proposed section 36A empowers the Cabinet to waive or reduce any or all of the fees payable under the legislation in relation to any person or group of persons in Cayman Brac or Little Cayman.

Clause 7 provides for the validation of fees collected by CIMA, without statutory authority, for any administrative services provided by CIMA and for the submission of returns prior to the commencement of this amending and validating legislation. Where those fees were charged and collected prior to the commencement of this amending and validating legislation, this clause seeks to validate the collection of those said funds by CIMA as if CIMA was empowered to do so under this amending and validating legislation. Clause 7 also provides for the validation of any returns that have been made, or required to be made, prior to the commencement of this amending and validating legislation.

Clause 8 provides that this amending and validating legislation does not affect any order or determination made by a court relating to fees that have been collected by CIMA, without statutory authority, for any administrative services provided by CIMA and for the submission of returns prior to the commencement of this amending and validating legislation. Clause 8 also provides that this amending and validating legislation does not affect any order of courts, as I indicated, made in relation to returns [made], or required to be made prior to the commencement of this amending and validating legislation.

Clause 9 provides for the transitional arrangement for applications for Mutual Funds Licenses for which decisions are pending on the day immediately preceding the commencement of this legislation. The application fee for those applications will be refundable.

Mr. Speaker, this concludes my presentation on the proposed Bill and I thank all Honourable Members in anticipation of their tacit or audible presentations.

The Speaker: Thank you, Madam 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, then I invite the Honourable Premier and Minister of Financial Services to conclude the debate on the Bill.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I am happy to have a very brief conclusion as there was no audible reply. I am very grateful for the tacit support of these very important financial pieces of legislation which will result in more revenue for the country, so that the financial industry can continue to get stronger and stronger, as well as to be able to provide other necessary service within the domicile jurisdiction.

Thank you, Mr. Speaker.

The Speaker: The question is that a Bill shortly entitled the Mutual Funds (Amendment and Validation) Bill, 2024 be given a second reading. All those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Mutual Funds (Amendment and Validation) Bill, 2024 was given a second reading.

PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill entitled Partnership (Amendment and Validation) Bill, 2024.

The Speaker: The Bill has been duly moved. Does the Honourable Premier and Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes. Thank you, Mr. Speaker.

Mr. Speaker again, on behalf of the Government, I rise to present this Bill. It provides for the name convention for limited partnerships and for the Registrar's collection of fees for various services. The Bill also seeks to validate certain previous revenue collection actions of the Registrar. Further, the Bill provides for matters which are incidental and connected to its purposes.

Clause 1, again, provides for the short title and the commencement of the legislation.

Clause 2 amends section 2 of the principal Act to include a definition for the words "regulatory laws", which have the meaning assigned by section 2(1) of the Companies Act (2023 Revision).

Clause 3 amends the principal Act by inserting the proposed section 49A, which deals with the name convention for limited partnerships. Among other things, Mr. Speaker, the clause provides that the name of a limited partnership shall end with the words "Limited Partnership" or the abbreviation "L.P." or simply "LP".

Clause 4 amends the principal Act by inserting a proposed section 54A, which deals with administrative services. The proposed section 54A provides that, for a prescribed fee, the Registrar may provide prescribed administrative services.

Clause 5 amends the principal Act by repealing and substituting section 55. The proposed section 55 deals with express fees, expands the list of transactions for which the Registrar may charge express fees for an expedited service.

Clause 6 amends section 56 of the principal Act to provide for, among other things, the making of regulations prescribing the fees payable to the Registrar under the legislation, including the fees payable for the provision of administrative services by the Registrar.

Clause 7 deals with the validation of certain fees collected, without the statutory authority, by the Registrar. Where those fees were charged and indeed collected prior to the commencement of this amending and validating legislation, this clause now seeks, when approved, to validate the collection of those fees by the Registrar as if the Registrar was empowered to do so under the amending and validating legislation.

Clause 8 provides that this amending and validating legislation does not affect, as in the previous Bills, any order or determination made by a court relating to fees collected by the Registrar for a service provided before the commencement of this amending and validating legislation.

Mr. Speaker, I wish once again to thank all those who have been involved, including the Member for West Bay South, the Chief Officer, Dr. Dax Basdeo [and] his staff; the Legislative Drafting team and all Members of Parliament whom I anticipate, without breaching the rule of anticipation, would give their tacit or audible support. I therefore commend the Partnership (Amendment and Validation) Bill, 2024 to this honourable House for its second reading.

The Speaker: Thank you, Madam 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, then I'll invite the Honourable Premier and Minister of Financial Services to conclude the debate on this Bill.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you once again, Mr. Speaker. Indeed, it is my honour and pleasure to thank all Members for their continued support for these very important financial Bills. Thank you, Mr. Speaker.

The Speaker: The question is that a Bill shortly entitled the Partnership (Amendment and Validation) Bill, 2024 be given a second reading. All those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Partnership (Amendment and Validation) Bill, 2024 was given a second reading.

PRIVATE FUNDS (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill entitled Private Funds (Amendment and Validation) Bill, 2024.

The Speaker: The Bill has been duly moved. Does the Honourable Premier and Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes. Thank you, Mr. Speaker.

Mr. Speaker, this Bill amends the Private Funds Act (2021 Revision) to provide for the charging of fees for certain transactions and to provide for a non-refundable application fee in respect of an application by a private fund to be registered under the said Act.

Clause 1 provides for the short title and for the commencement of the legislation.

Clause 2 amends section 6 of the principal Act by introducing a prescribed fee for an application by a private fund to be registered under the principal Act.

Clause 3 amends section 11 of the principal Act by introducing a prescribed fee for filing with CIMA details of changes in respect of a private fund.

Clause 4 amends section 14 of the principal Act by introducing also a prescribed fee for the filing of annual returns by private funds.

Clause 5 provides for the validation of fees collected by CIMA, without statutory authority, for the registration of private funds, the filing of details of changes related to private funds and the submission of annual returns prior to the commencement of this amending and validating legislation. Where those fees were charged and collected prior to the commencement of this amending and validating legislation, this clause now seeks to validate the collection of those fees by CIMA, as if CIMA was empowered to do so under the amending and validating legislation.

Clause 6 provides that this amending and validating legislation does not affect any order or determination made by a court relating to fees collected by CIMA, without the necessary statutory authority, for the registration of private funds, the filing of the details of changes related to the same private funds, and submissions of annual returns prior to the commencement of this amending and validating legislation.

Clause 7 provides for the transitional arrangement for applications for registration of private funds for which decisions are pending on the day immediately preceding the commencement of this said legislation. The fee for those applications will be refundable.

Mr. Speaker, in conclusion once again, I wish to convey my sincere appreciation to all those involved inclusive of the now customary group, the MP for West Bay South, the Chief Officer, Dr. Dax Basdeo and his staff; Legislative Drafting, all of the Honourable Colleagues in Cabinet and this House, Parliamentary Secretaries inclusive, for being cognisant in recognising and embracing the importance of this legislation.

I therefore commend the Private Funds (Amendment [and Validation]) Bill, 2024 to the honourable House for its second reading.

The Speaker: Thank you, Madam 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, then I'll invite the Honourable Premier to conclude the debate on this Bill.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker. Once again, I wish to say a great big thank you to everyone for supporting it and there's no better support sometimes than tacit support, so I quite welcome that.

With that, I once again commend the Bill and look forward to its safe navigation through this honourable Parliament.

The Speaker: The question is that a Bill shortly entitled the Private Funds (Amendment and Validation) Bill, 2024 be given a second reading. All those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Private Funds (Amendment and Validation) Bill, 2024 was given a second reading.

SECURITIES INVESTMENT BUSINESS (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker. Mr. Speaker, I beg to move the Second Reading of a Bill entitled Securities Investment Business (Amendment and Validation) Bill, 2024.

The Speaker: The Bill has been duly moved. Does the Honourable Premier and Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes, thank you, Mr. Speaker.

Mr. Speaker, this Bill seeks to provide a validation of fees collected by CIMA prior to the commencement of this legislation. It also seeks to provide definitions for words used in the legislation.

Indeed, we see again that clause 1 provides a short title and commencement of the legislation.

Clause 2 amends section 2 of the principal Act among other things by inserting definitions in the legislation.

Clause 3 amends section 5 of the principal Act to provide for fees for deregistration and notification of material changes by registered persons.

Clause 4 amends section 6 of the principal Act to require an applicant for a licence to specify the category or categories for which an application is being made. The clause also inserts new provisions that provide for —

(a) the prescribing of different fees for different types or categories of licences; and for different types or categories of licences; and

(b) the procedure by which the holder of a restricted licence may have certain restrictions on the holder's licence adjusted.

Clause 5 amends section 2 *[sic]* [11] of the principal Act to clarify the power that the Cabinet, after consultation with CIMA, may exercise to prescribe any fees payable under this legislation.

Clause 6 amends section 16 of the principal Act to empower CIMA to exempt certain persons from registration or licensing under the legislation.

Clause 7 provides for the validation of the payment of fees to and the collection of fees by CIMA for the deregistering of a securities investment business, the filing of material changes by registered persons under section 5 and the grant of a restricted licence prior to the commencement of this amending and validating legislation.

Clause 8 provides that this amending and validating legislation does not affect any order or determination made by a court relating to fees collected by CIMA without the necessary statutory authority for the deregistering of a securities investment [business], the filing of material changes by registered persons under section 5 and the grant of a restricted licence prior to the commencement of this amending and validating legislation.

Once again, Mr. Speaker, I wish to thank all of the necessary persons, the MP for West Bay South, Dr. Dax Basdeo, Chief Officer for Financial Services; the Legislative Drafting Department, and all Members present here today for their anticipated contribution be it tacit or otherwise.

I therefore commend the Securities Investment Business (Amendment and Validation) Bill, 2024 to the honourable Parliament for its second reading.

The Speaker: Thank you, Madam Premier.

Does any other Member wish to speak? *[Pause]*

The Honourable Leader of the Opposition.

Hon. Joseph X. Hew, Leader of the Opposition, Elected Member for George Town North: Thank you, Mr. Speaker.

Mr. Speaker, I would like to rise to briefly speak on the series of financial services amendment and validation Bills that have come before us today. I can confirm that the Official Opposition had agreed with the Honourable Premier to provide a quorum and support these Amendments.

Mr. Speaker, I would like to take this opportunity to congratulate the Honourable Premier for successfully bringing these crucial pieces of legislation to this esteemed House as they are vital for maintaining the fiduciary integrity of the government's budget. I understand that this has not been an easy task given the Premier's current position with a minority Government and the additional workload following the resignation of three of her Ministers. Mr. Speaker, it has been a long time since any fees in this sector had been increased; and the industry has evolved and new fees needed to be introduced, and whilst I will not delve into the specifics of these increases as the Premier articulated them very well in her presentations, it is my hope that the industry will be prudent in how it seeks to recoup these fees.

Mr. Speaker, financial services are an important part of our economy which appears to be thriving. Nonetheless, I echo the sentiments of those who caution against jeopardising the very source of our prosperity. As a jurisdiction, Mr. Speaker, we must not become complacent; we must recognise that the cost of doing business and the cost of operating have risen over the past few years and other jurisdictions are actively offering incentives to attract our business.

Mr. Speaker, we should be reminded [of] the lesson learned from our belief that cruise ships would never stop coming to the Cayman Islands. Despite our assumptions of being the best jurisdiction to visit, we are witnessing a shift and the numbers are declining at an alarming rate. Thus, Mr. Speaker, let us not become complacent because if we do, the impact will be immediate and the ability to recover would be a very long and difficult road.

Mr. Speaker, with those few words, I'd like to close, but I would also like to commend all Members of this august House for demonstrating today that the Cayman Islands is a mature democracy, that despite our political differences and the recent interruptions, the welfare of our country and its people remain at our paramount concern. Again, I'd like to say that the Official Opposition supports these Amendments as they have been laid out by the Premier, and I'd like to congratulate her and all those involved in getting us to this point with them.

Thank you.

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, then I'll invite the Honourable Premier to exercise her right of reply.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Thanks to the Honourable Leader of the Official Opposition for his remarks and for his continued support from day one that we found ourselves in this situation. I want to say that history will be kind to him for the mature position that he took with agreeing to form quorum straight up from day one.

Mr. Speaker, once again, I wish to thank the MP for West Bay South, the Chief Officer, Dr. Dax Basdeo; Legislative Drafting Committee, and all Members in this House who see the importance of this and have agreed, through either expressly saying so privately or on the Floor, or by their tacit support.

I therefore commend this Bill for the Second Reading, Mr. Speaker.

The Speaker: The question is that a Bill shortly entitled the Securities Investment Business (Amendment and Validation) Bill, 2024 be given a second reading. Those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Securities Investment Business (Amendment and Validation) Bill, 2024 was given a second reading.

VIRTUAL ASSET (SERVICE PROVIDERS) (AMENDMENT) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you again, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill entitled the Virtual Asset (Service Providers) (Amendment) Bill, 2024.

The Speaker: The Bill has been duly moved. Does the Honourable Premier and Minister of Financial Services wish to speak thereto?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Yes, thank you, Mr. Speaker.

Mr. Speaker, I rise to present the Bill on behalf of the Government. It's a Bill that seeks to amend the Virtual Asset (Service Providers) Act (2024 Revision) being the principal Act; to amend definitions and to provide new definitions of terms used in the Act; to improve the supervision of certain virtual assets activities; to provide that the fees payable under the Act are non-refundable; and for incidental and connected purposes.

Mr. Speaker, the Virtual Asset (Service Providers) Act was passed on the 25th *[sic]* [20th] May 2020. In consultation with CIMA, a decision was taken to commence the Act in two phases to allow for the gradual implementation of the requirements contained therein. The first phase of the framework, Mr. Speaker, commenced specific provisions on the Act on the 31st October 2020 which related to the AML and CFT supervision of virtual asset [service] providers (VASPs). This phase was necessary, Mr. Speaker, for the re-evaluation of the Cayman Islands by the Caribbean Financial Action Task Force on Recommendation 15, that is, the implementation of the anti-money laundering and countering of the financing of terrorism, global standards for new technologies. It also has allowed CIMA and the Ministry to collect valuable information on the VASPs currently operating in the jurisdiction and the types of activities that they are engaged in.

Mr. Speaker, a number of possible amendments to the Act have been identified since its passing in 2020. These were identified by the Ministry or by internal stakeholders and include changes which pertain to the scope of the legislation and to the operational elements of the regulatory framework. Changes include:

(a) Clarifying the scope of the legislation and certain definitions;
(b) Introducing definitions for phase two elements of the said legislation;
(c) Allowing for persons already registered under another regulatory law to provide notice instead of applying for dual registrations;
(d) Improving the supervision of certain specific virtual asset activities;
(e) Make operational changes to requirements for the provision of virtual asset services;
(f) To clarify enforcement provisions of the Act including powers of CIMA; and
(g) Revise certain elements of the legislation based on the feedback that was received.

Phase 2 of the framework, Mr. Speaker, consists of the licensing of trading platforms and virtual asset custodians to increase the supervision of those activities. Since the licence of those activities has not yet commenced, there are a number of entities currently registered with CIMA under the principal Act which should be licensed. The licensing regimes will ensure that this is corrected.

Mr. Speaker, commencing the licensing regime is therefore a critically important aspect to the proper supervision of the virtual asset services within these Cayman Islands. The Bill prepares the principal Act for commencement of licensing regimes for trading platforms and virtual asset custodians.

Mr. Speaker, the Bill has undergone extensive consultation with internal and external stakeholders. Previous versions of the Bill were sent for consultation with heads of industry associations and their members on two occasions in September 2022 and February this year; revisions being made to the Bill based on the feedback that was received.

Mr. Speaker, the Bill amends, as I said, definitions and does in fact provide new definitions of terms to be used in the legislation. It provides for the improved supervision of certain virtual asset activities.

Clause 1 provides for the short title and the commencement of the said legislation.

Clause 2 provides for the deletion of certain definitions and the insertion of new definitions. The new definitions inserted include: "convertible virtual asset", "financial services business", and "originator".

Clause 3 amends section 3 of the principal Act to change the reference to "an existing licensee" to "a supervised person". This Amendment is consistent throughout the amending legislation and reflects the changed reference to persons who are licensed or registered by CIMA under any of the other regulatory laws but are not licensed or registered under the principal Act.

Clause 4 amends section 4 of the principal Act to provide that, among other things, a person who is not registered, licensed or granted a waiver shall not state, imply or convey that the person is regulated or authorised by CIMA to provide virtual asset service.

Clause 5 of the principal Act amends section 5 [to] adjust the application procedure and point at which fees are payable by the applicants for registration or for a licence. The Amendment also empowers CIMA to publish in the *Gazette*, a notice of lapse of licence or registration where the renewal fee remains unpaid for three full months after becoming due on the 15th January in any given year. The Amendment to section 5, Mr. Speaker, also provides that the prescribed fees under the legislation are non-refundable.

Clause 6 amends section 6 of the principal Act to empower CIMA to impose conditions on the applicant for registration based on the nature, the risk and the scale of the business. The clause also amends section 6 of the principal Act to provide that the shareholders, the directors, the senior officers of an application for registration shall be fit and proper persons. If a registered person wishes to engage in activities for which a licence is required under the Act, clause 6 provides that CIMA shall require the registered person to apply for a licence and cancel the registration if a licence is granted.

Clause 7 amends section 8 which also empowers CIMA to impose conditions on an applicant for a licence at the time of the application or at any time after having regard to the nature, the risk and the scale of the business. The clause also amends section 8 to provide that CIMA shall grant the licence on the payment of the licence fee and the licence shall state the specific service that the licensee is permitted to carry on.

Clause 8 amends section 9 to provide that, as a part of the general requirements for virtual asset service providers, CIMA may require a registered person to provide audited financial statements where it determines that they are required due to the nature, size or complexity of the registered person or where the registered person may have provided false or misleading accounts. The clause also provides for an amendment to section 9 to provide that the virtual asset provider is required to ensure the accuracy of not only the communications, but all disclosures, and advertising materials relating to the virtual asset service. The clause also provides that where a virtual asset service provider wishes to make a change to the approved business plan that modifies the provision of the virtual asset service for which a licence or registration has been granted, the virtual asset service provider must seek the written approval of CIMA.

Clause 9 amends section 10 to expand on the disclosures to clients that CIMA may require a licensee to provide. These include disclosures to clients regarding regulatory obligations, grievance procedures, the sharing of client's information to third parties and internal custodial governance arrangements. The clause also amends section 10 to provide that CIMA may impose requirements on a licensee regarding the manner in which virtual assets are held and maintained on behalf of clients and the provision of products and services which derive their value from underlying virtual assets. Clause 9 provides further, among other things, for the amendment of section 10 to require that a virtual asset service licensee that is providing virtual asset custody services shall take steps as may be necessary to safeguard virtual assets held on behalf of third parties, maintain accurate records that readily establish the precise nature, amount, location and ownership of client assets and segregate client assets from proprietary assets and the assets of any affiliate.

Clause 10 provides for the repeal of section 13.

Clause 11 provides for the repeal and substitution of sections 14 and 15. The new section 14 empowers CIMA to direct a virtual asset service provider to apply for a licence or registration under any of the other regulatory laws where—

(a) it is carrying on financial services business that is materially similar to the financial services business for which a licence or registration regime under any of the other regulatory laws provides sufficient oversight and supervision for that business; or

(b) it requires additional oversight that is provided for in the licensing or registration regime under another regulatory law. The new section 15 provides for the procedure for an application for a licence, registration or waiver for a supervised person who wishes to carry on virtual asset services. An application is not required where the supervised person is carrying on virtual asset activities involving virtual service tokens only.

Clause 12 provides for the amendment of section 16. The provision empowers CIMA to revoke a waiver granted where it is of the opinion that, among other things, there is a change in the size, scope, risk or complexity of the business operations and registration or a licence is now required.

Clause 13 provides for the amendment of section 19 to delete and substitute references to "existing licensee", "sandbox application fee" and "application fee" among others. The clause also amends section 19 to provide that CIMA in reviewing an application for a sandbox licence shall consider the fintech service and its probable effects on financial services business.

Clause 14 provides for the repeal of Part 4 which dealt with decisions to licence, register and approve issuances of virtual assets.

Clause 15 provides for the amendment of section 24 to empower CIMA to request information from any person who is carrying on virtual asset service in contravention of the principal Act and to have access to any books, documents, virtual assets or securities as CIMA may reasonably require for the performance of its functions under the Act. CIMA is empowered to authorise a person with the requisite technical expertise to examine the affairs or business of a licensee, registered person or other person carrying on virtual asset services.

Clause 16 provides for the amendment of section 25 to provide that CIMA may, at the expense of the virtual asset service provider, appoint a person to advise the virtual asset service provider on the proper conduct of its affairs and to report to CIMA on its appointment. CIMA, pursuant to the report, may revoke the licence or cancel the registration and apply to the court for an order that the virtual asset service provider be wound up by the court.

Clause 17 amends section 26 to provide that where CIMA is of the opinion that a virtual asset service provider is falsely stating, implying or conveying to the public that it is licensed in accordance with the Act, CIMA may direct that a virtual asset service provider cease carrying out the acts and instead take such steps that are necessary, in the opinion of CIMA, to remedy the conduct.

Clause 18 amends section 27 to repeal and substitute subsection (1). The new subsection (1) provides that CIMA may revoke a licence or a waiver or may cancel a registration or approval for a virtual asset issuance where it is of the opinion that the virtual asset service provider —

(a) has failed to comply with an obligation imposed by the principal Act;
(b) is carrying on business in a manner that is not permitted by the licence or the conditions of the registration or waiver;
(c) has provided CIMA with false, misleading or inaccurate information;
(d) the interests of clients or potential clients for the virtual asset service provider are threatened; or
(e) has contravened the Anti-Money Laundering Regulations (2023 Revision).

Clause 19 amends section 28 to delete and substitute the words “a legal person” with the words “a company or partnership” and the words “the legal person or legal arrangement” with “the company or partnership”.

Clause 20 amends clause 30 to provide for an appeal to the court for the refusal by CIMA to grant a waiver for a supervised person to engage in virtual asset service.

Clause 21 amends section 31 to provide that every licensee or registered person which has been directed to provide audited financial statements shall have its accounts audited by an auditor who is a chartered accountant, a certified public accountant or other professionally qualified accountant approved by CIMA.

Clause 22 amends section 32 to require that if an auditor in the course of carrying out an audit or producing a report under section 9 becomes aware of or has reasonable grounds to believe that a licensee or registered person is carrying on, or attempting to carry on, business in a fraudulent or criminal manner to immediately give CIMA, the licensee and the registered person written notice of the belief. The clause also provides that a person who contravenes subsection (1), which sets out the requirement that an auditor notify CIMA, commits an offence and is liable on conviction to a fine of twenty thousand dollars.

Clause 23 provides for the repeal and substitution of section 33. The clause sets out the provisions for the entry and search of premises where a magistrate is satisfied by information on oath that there are reasonable grounds for believing that an offence has been committed, or is being committed, and that the evidence of the commission of the offence is to be found at any premises or in an electronic device. The clause provides that the magistrate may authorise entry to the premises in which the electronic device is located by persons as may be specified.

Clause 24 amends section 39 to delete and substitute the words “financial service business” with the words “financial services business”.

Clause 25 provides for general amendments to the principal Act to delete and substitute certain cross headings in the principal Act. It also provides for the deletion and substitution of the words “application fee” with the words “licensing or registration fee” and “assessment fee” with the words “application fee”.

Clause 26 provides the transitional arrangements for applications for which a decision is pending on the day immediately preceding the commencement of this amending Act. The application fee for those applications will be refundable.

Mr. Speaker, in conclusion to my presentation on the proposed Bill, I wish to thank again the MP for West Bay South, Chief Officer, Dr. Dax Basdeo; his staff, the Legislative Drafting Department, and all Members of Parliament for their express or tacit support and any contribution they had with the design and preparation of the said draft Bill.

I therefore commend, Mr. Speaker, the Virtual Asset (Service Providers) (Amendment) Bill, 2024 to this honourable House for its second reading.

I thank you.

The Speaker: Thank you, Madam Premier.

Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]*

The Honourable Leader of the Opposition.

Hon. Joseph X. Hew, Leader of the Opposition: Thank you, Mr. Speaker.

Mr. Speaker, I rise on behalf of the Official Opposition to give our support to the Virtual Asset (Service Providers) (Amendment) Bill, 2024. I think as the Premier said earlier, this was a sector within the emerging industries that we focused on during our second term in office, and I'm happy to see that the legislation is evolving as the times do with virtual assets. It's important that we continue to be the leaders in regulatory framework, whether it be in the traditional financial services or in areas such as virtual assets.

I also believe Mr. Speaker, that virtual assets are here to stay, they are not going away and that it's an excellent opportunity for us to explore virtual assets as part of an effort to diversify our economy and not only rely on the revenue streams of traditional financial services and tourism. As I said earlier, this sector is growing rapidly and if the Cayman Islands can position ourselves as a hub for virtual assets, this will create the environment and opportunities for our own Caymanians to have start-ups or to evolve their established businesses into that virtual asset sector.

Mr. Speaker, the other benefit of virtual assets or investing in virtual assets and creating the legislative framework for virtual assets [is that it] demonstrates to the world how the Cayman Islands is known not only for its robust regulatory framework, but that we are leading the charge on technology in areas such as cryptocurrencies and Blockchain technology.

With those few words, Mr. Speaker, we in the Official Opposition support these Amendments.

The Speaker: Does any other Member wish to speak?

[Pause]

The Honourable Attorney General.

The Attorney General, Hon. Samuel W. Bulgin: Thank you, Mr. Speaker.

Mr. Speaker, I rise to lend my voice in support of the Bill as piloted by the Honourable Premier.

I perhaps would like to begin where the Honourable Leader of the Opposition has left off, which is that by doing what we're doing here, we are demonstrating to the world that, among other things, we are a leader in regulatory framework for these sorts of activities. Mr. Speaker, this is important because regionally, Cayman Islands has been recognised as one of the countries with a significant footprint in the business of crypto and virtual assets. In fact, Bahamas and the Cayman Islands are basically the frontrunners regionally in the business.

Other leading countries are also involved and it was no surprise that the Cayman Islands was out front very early in seeking to regulate the business. We enacted legislation in 2020, and in 2022, we implemented what is known as the "travel rule"; we were one of the first countries to do so. What that is, Mr. Speaker, is simply—persons who are involved in the virtual asset business, in order to prevent, or mitigate for that matter, money laundering or terrorist financing activities by those who deal in the business, the anti-money laundering regulations were amended to require the persons involved to obtain, hold and transfer certain transactional data. For example, when they're doing wire transfers, information relating to the originator or the sender and the beneficiary of those transactions, that sort of data is required to be obtained, retained and transferred, Mr. Speaker, because the data travels at the same time when the transaction is taking place, it is called the 'travel rule'.

We were one of the first countries to implement that. Other countries have followed suit since then: the UK, Canada, United States and others, but we (the Cayman Islands), certainly at the FATF level, have been recognised for a proactive step in that direction.

You will see, Mr. Speaker, that in the Bill here, clause 18 speaks to the fact that one of the bases on which a licence may be revoked is where there is contravention of the Anti-Money Laundering Regulations. That point is there specifically to the issue of the expectation that Virtual Asset Service Providers (VASPs) will ensure compliance with the Anti-Money Laundering Regulations as it relates to the travel rule.

Mr. Speaker, the Amendment to the framework here is quite timely. It's quite important. It coincides with the FATF's ongoing work in revising Recommendation 16 of the FATF 40 Recommendations dealing with virtual assets and the travel rule, so our enhancement of the regulatory framework here and the licensing framework is quite timely. Therefore, I am fully in support of the enhancement to the licensing regime, it certainly augurs well for us and for our reputation.

Mr. Speaker, I heard this morning some observation about some of what we are trying to do and whether it is good for business, if I might put it that way—my words. [It was] certainly a word of caution about some of the regulatory things that we're pursuing. I would just like to say that Cayman Islands has an excellent track record when it comes on to regulating our financial services industry.

I wasn't here then, but I am aware that when the Cayman Islands signed the exchange of notes for narcotics in the 80s, there were those who thought that was the end of the financial services industry. Then we entered into mutual legal assistance with America and it was also said that was a death knell for the financial services industry. We signed the European Union Savings Directive and there were those, like the Tax Justice Network and the other network, who danced on top of the table because they thought that was it, *"Cayman Islands financial services industry was finished".* We signed the Tax Information Exchange Agreement, Mr.

Speaker and we are still… the financial services industry is not just surviving, it is thriving

Thus, I would just say, fear not. There is good sense to what is being done in terms of the regulatory framework that we put in place. Those who are involved in legitimate business would want to know that they're invested in a country that abides by the rule of law and things are done legitimately, and I think, Mr. Speaker, our track record over the years has certainly demonstrated that. We have been recognised certainly by the standard setters, the FATF, OECD and others. It is no coincidence that we have been invited to be one of only two guest jurisdictions as a member of the FATF, that augurs very well for our reputation. To use the FATF President's word, they see the Cayman Islands as a “lighthouse”, certainly in the region when it comes on to being standard bearers.

Mr. Speaker, I certainly would like to commend the Bill to honourable Members of this House. I think the country, in terms of its regulatory framework, is always on the right trajectory and we are not afraid to go out in front to lead the way and set the standard. This is just another example of us seeking to do so— rightly so, I might add.

I, like the Honourable Premier, commend the Bill to Honourable Members of this House.

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

The honourable Member for West Bay South.

Mr. André M. Ebanks: Thank you, Mr. Speaker. I rise to support the Virtual Asset (Service Providers) (Amendment) Bill, 2024.

As this is the last of the 13 financial services Bills, mainly to generate revenue, I'll take an opportunity, Mr. Speaker, to give sincere thanks to the Ministry team, the agencies and the Statutory Authorities. We could not have accomplished all of the work that was done—not just for these 13 bills but also, as articulated by the Honourable Premier in the Report of the Ministry for 2023, if we did not work in collaboration, close collaboration in an organised fashion.

It is a complex area, financial services has grown tremendously over the decades. It involves, as Mr. Speaker knows all too well, heavy travel and we did our best to ensure that even when there was a temporary absence due to travel, that the main points of any particular matter were summarised so that someone standing in my shoes could pick up the broad strokes and ably deal with it in a short time period. It was a pleasure working in that fashion, which has been displayed here today by the Honourable Premier who's been able to adequately address questions of Members, and I can see that is in no small part to the briefings received by the Ministry who gave the same to me when I first took office.

We have, as the Leader of the Opposition has said, a mature democracy and an advanced democracy that can weather storms. It isn't easy to be trapped and caught between your conscience and public overall duty versus the duties that you have of Cabinet. The situation was extreme, as the current Deputy Premier said in a prior Bill debate, but I'm very grateful and can't thank the Ministry team enough.

This Bill though, Mr. Speaker, it is slightly different from the other 12 in that it's not just generating financial services revenue, it is also expanding the area of virtual assets which is even more complicated, new and emerging. I was comforted, as I was with the other 12 but in particular with this one, that due to the extensive consultation with industry throughout, on all matters including beneficial ownership, that there would be very little resistance or turbulence that anyone standing in my shoes would face, given that industry was brought up to speed as referenced many times by the Honourable Premier.

I also want to [make changes], Mr. Speaker, specifically on this legislation, in view of the Premier's offer to not wait for ideas on the campaign trail or a future meeting. As I looked over and read the Bill and then reread it during the lunch break, there's still more that we could do here this evening for reasons, as we've said, to try to grow the industry in many, many aspects.

There's one item that I know the Ministry is familiar [with] as well as the Monetary Authority: being able to exclude what is known as Blockchain or token funds from the virtual asset legislation, specifically for the definition of “issuance of virtual assets”. That is because, Mr. Speaker, those tokens/Blockchain funds are essentially the investment funds that we regulate right now under the Mutual Funds Act and the Private Funds Act, but they're moving from being an electronic centralised spreadsheet of the data, to the data being captured in the new Blockchain technology.

From my recollection of all of our trips and study of the FATF, the FATF does not intend to have a financial asset caught at the same time as a virtual asset, and our investment funds product is very much a financial asset. This isn’t pie in the sky, Mr. Speaker; some of the largest asset managers in the world that do business with Cayman right now—BlackRock, KKR, Apollo [Global] Management—huge private equity houses who have funds registered with CIMA right now are beginning to shift to this new technology.

They see it as the way forward. They see it as the way of the future. It creates 24-hour service, better capturing of data, better security features, and soon this will begin to overtake the traditional model that's happening now of electronic spreadsheets. We do not want our bread and butter business, the investment funds industry to be left behind. We are losing at present market share to competitive jurisdictions who have shifted their legislation to accommodate token investment funds, Blockchain investment funds versus the traditional registers.

Mr. Speaker, we have an opportunity to still work in collaboration and use each other's knowledge, no matter what side of the aisle we're on, to try to generate revenue because financial services industry knows the consultation on these 13 Bills weren't easy. They knew, largely speaking, that the revenue being raised would not be reinvested, [the] lion's share of it, back into financial services. These weren't easy consultations. They're doing what they believe is their national duty, but at the same time they need to also be presented with opportunities to continue to grow the industry.

Therefore, I took the opportunity, Mr. Speaker, to file a Committee Stage Amendment at lunchtime that I hope will be favourably viewed when we get to Committee Stage. At the moment, I understand that CIMA is taking these token and Blockchain investment funds on a case by case basis, but what they really need is a legislative amendment that allows it specifically and allows them at the same time to issue a guidance note or rule so that they can mitigate against any unintended consequences, because just to reiterate, these are not crypto coins, these are investment funds utilising Blockchain technology. As the Leader of the Opposition quite rightly said, there's a shift and we cannot be complacent, we have to work in the spirit of cooperation.

With that, Mr. Speaker, I would look forward to favourable consideration during Committee Stage Amendment to really help and grow this area, really be able to maximise the full potential that is within our bread and butter business, not extending beyond [to] something that is radical and untested. These are funds that are already regulated under the Mutual Funds Act, already regulated under the Private Funds Act, the same passengers but a more modern vehicle.

I thank the Government for continuing the work and [encourage] all of us in this House [to] work as diligently and cooperatively as we can to continue to grow the country's key financial pillar.

Thank you, Mr. Speaker.

The Speaker: Honourable Member for West Bay South, I would just advise you that I have not yet seen your proposed Committee Stage Amendment, which will need the Speaker's approval because the relevant notice period hasn't expired. Can we ensure that that reaches me before we go into Committee Stage, which is going to be shortly?

Mr. André M. Ebanks: Mr. Speaker, I'm aware and I took it upon myself to file it during the lunchtime when I spotted the observation, it should be with you shortly.

The Speaker: Thank you.

Does any other Member wish to speak? *[Pause]*

The Honourable Deputy Premier.

Hon. Kenneth V. Bryan, Deputy Premier: Thank you, Mr. Speaker. I wasn't intending to speak as I was hoping for a transition of these Bills without any touch of politics, because of the sensitivities of the financial services and the importance of it to our community. Unfortunately, I saw that the former Deputy Premier ever so delicately and gently scooped around the notion of suggesting that he left everything in place and in the event of a mature democracy that things can go ever so smoothly.

Mr. Speaker, you would have heard me speak earlier in respect of acknowledging the hard work of the Honourable Premier to embrace a rather difficult circumstance and manoeuvre and think on her feet to get through a very complicated area—without notice. You would also have heard the Honourable Premier say that without any briefing notes available for her or left by the former Minister, we were forced into the circumstances of thinking on our feet and many sleepless nights. To be honest, I haven't even seen her for a full six hours since then (besides Caucus) because she has had to put her full attention to this ever so important set of Bills, because it not only has to do with our main industry but also to do with the revenue necessary—

The Speaker: Honourable Deputy Premier, I'm sure you're soon going to reach the point of debating the Bill.

Hon. Kenneth V. Bryan, Deputy Premier: Yes, sir. The Bill point is that the honourable Member—and I think it's fair to say it's in the scope of the discussion and I hope that there is no conflict in what I'm saying here from you, Mr. Speaker, as you're in charge of this Parliament. The scope of it is, there is a discrepancy by the [former] Deputy Premier as to say he left everything well and good over here, when in fact that is not true.

Mr. Speaker, the simple—

[Inaudible interjection]

The Speaker: Just a moment. Honourable Members, let's please not get into a dogfight over this, alright? I think the point has been made. Honourable Deputy Premier, you've made it four or five times. Can we just get to the debate on the Bill in question? As you said, this is an important matter. This is the house of politics, I know that, but really, you've made the point repeatedly.

Hon. Kenneth V. Bryan, Deputy Premier: As you said, Mr. Speaker, I'll just make this last point, then I'll sit down.

As far as I'm aware, Mr. Speaker, we almost didn't have the opportunity to bring these Bills to the House at all, because if we had an early election, we would have been in jeopardy of these very important Bills not being there. The suggestion by the Member that he left this great transition, I find troubling. Though we have made the best of the circumstances, let the public be fully aware of the Honourable Premier and those who stuck around to make sure the country kept stable, because we could have been at some serious risks in our financial services by the vacation of that Member.

[Desk thumping]

Hon. Kenneth V. Bryan, Deputy Premier: That's the point I'm trying to make, and for him to allow this perception of anything other than that would be simply dishonest. Thank you, Mr. Speaker,

The Speaker: Honourable Member for West Bay South.

Point of Order

Mr. André M. Ebanks: Point of order, Mr. Speaker. I was not in any way, I believe, dishonest, whatsoever, and I never—

[Inaudible interjection]

Mr. André M. Ebanks: Imputing improper motives.

I never said that I left a perfect house. I only thanked the Ministry for I could clearly see, based on the responses given to the Premier, that they were briefing the Honourable Premier. The only point I made was to thank the civil service. I did not make the suggestion that the Deputy Premier has said.

The Speaker: Very well.

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'll invite the Honourable Premier to exercise her right of reply.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker and thanks to all honourable Members who deemed it important to come to make the quorum, to give their tacit support, as well as to get on their feet to contribute in their own way.

Certainly, I think it goes without saying that the commonality and the debate throughout the course of the day is that persons recognise the importance of these pieces of legislation. For me, it matters not who gets the kudos, what matters is that the provisions are passed through this Parliament today with the support of all Members.

We have set the date for election. There will be many, many occasions for persons to say what happened from what didn't happen and jury will be out on the 30th April when the people will show its maturity by exercising the right—certainly for us women who had to fight for [it] back in 1959. I would encourage them to go out and register to vote and continue to put the good ship Cayman in the right direction.

I believe that today exemplifies what can be accomplished when hearts and minds come together and egos are left at the door, on both sides of the House for that matter, and that we can do the business that the people elected us to do, Mr. Speaker. It has not been an easy ride, but as I've said many, many times, **"The heights by great men reached and kept were not attained by sudden flight, but they, while their companions slept, were toiling upward in the night."**

We were elected to do what's best for this country and that is my *modus operandi*. I may not be a perfectionist, I may not be the most popular; but one thing people can say is that I try at all material times to do what is in the best interest of this country. Long may it continue for all Members in this House.

I thank you.

The Speaker: Thank you, Madam Premier.

The question is that a Bill shortly entitled Virtual Asset (Service Providers) (Amendment) Bill, 2024, be given a second reading. All those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Virtual Asset (Service Providers) (Amendment) Bill, 2024 was given a second reading.

INFORMATION AND COMMUNICATIONS TECHNOLOGY (VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

[Inaudible interjection]

The Speaker: I believe I can be forgiven for that one.

[Laughter]

The Speaker: I recognise the Honourable Minister of Planning, Agriculture, Housing and Infrastructure (PAHI).

Hon. Johany S. Ebanks, Minister of Planning, Agriculture, Housing, Infrastructure and Transport & Development, Elected Member for North Side: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move the Second Reading of a Bill entitled the Information and Communications Technology (Validation) Bill, 2024.

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

Hon. Johany S. Ebanks: Yes, Mr. Speaker.

Mr. Speaker, Honourable Members, I stand before you today with a Bill that addresses the bedrock of our nation's economic and digital authority, the Information and Communications Technology (Validation) Bill, 2024. The Bill provides [for] the collection of Information and Communication Technology (ICT) fees [which] have always been valid, notwithstanding the fact that it was not affected in the necessary regulations as prescribed in the ICT Act.

The ICT sector is a pillar of the national economy. It has [revolutionised] how we communicate and conduct our business, and ultimately, how we engage as a society. Yet still, even innovation requires regulations. By validating the past collection of licence fees, we are affirming that as a Government, we do not shy away from acknowledging the correction of administrative oversights.

Honourable Members, clauses 3 and 4 are of particular importance.

Clause 3 endorses the licence fees charged by, paid to, and collected during the period commencing 5th August, 2003, and ending on 15th January, 2017; and the licence fees charged by, paid to, and collected during the period commencing on 16th January, 2017 and ending on the commencement of this Act.

Through clause 4, protection is provided to the individuals who have been executing these Regulations except where actions were in bad faith. It is crucial for us to support our public servants who diligently enforce our laws, providing them with the protection necessary to fulfil their duties without fear of future legal actions.

Mr. Speaker, this Bill paves the way for a future where our ICT sector can continue to thrive under a framework that is clear and accountable. Let us collectively take hold of the opportunity to reinforce our legislative and regulatory commitments.

Honourable colleagues, let us support the Bill and ensure the continued prosperity of our nation and our people.

Thank you, Mr. Speaker.

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]*

The honourable Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you, Mr. Speaker.

I rise to add my two cents to this Bill. To some extent, it is regrettable that it's being brought, and the contribution made in the earlier debate by the Member for George Town East, in terms of these validation Bills, says something.

Mr. Speaker, it also raises a bigger issue, that of a culture. Where somehow people believe that it's okay to make money in this country and the little that the government charges via direct taxation, in some cases directly, it becomes an issue. I looked earlier, Mr. Speaker, at the amount of money government collected from ICT fees for 2022 and 2023, and it was just over CI$18 million. When you go to the ICTA website and you see the amount of turnover for 2022 and 2023 from the ICT sector, it was CI$327 million. A sector that grosses $327 million in a two-year period and the country only collects $18 million in fees from it. On top of that, Mr. Speaker, if you go and you look at the ESO's website at the calculation of gross domestic product—where they actually do a good job of calculating both in terms of consumption or otherwise— and you see the profit that is buried inside that number and the number for 2022, that if memory serves me right, was in excess of $50 million worth of profit in that industry, it is an industry that makes good money.

The reason why I'm actually highlighting this issue, Mr. Speaker, is the fact that the capital investment which is also included in the ESO's calculation is quite low. When you factor in now the MAYA-1 cable coming to the end of its useful life next year, and you also bear in mind that the other cable that connects Cayman to the world, which is the Cayman-Jamaica Fibre System (CJFS) literally came to its end of useful life in, I think, 2021 or thereabouts—even though it's still functional—it says something about the industry in the sense that there is a culture that needs to change.

Mr. Speaker, for full disclosure, I have in a previous life, worked for two telecoms companies and am acutely aware of the true cost of terminating a call. I will leave it with this, Mr. Speaker, at a time when Cable and Wireless was charging CI$1.50 per minute to make calls to the United States in the middle of the day during peak hours, the cost to Cable and Wireless to terminate that call in the United States was US$0.02. Let me say that again, Mr. Speaker, they were charging CI$1.50 for a cost of US$0.02 to terminate [a call]. This is a culture within that industry.

When you see now, Mr. Speaker that the people of this country, the taxpayers of this country have to go and literally find money or resources to put in another undersea cable to connect Cayman to the world, despite these companies, for decades, making millions of dollars of profit in Cayman; the culture needs to change. I'll just leave it at that.

Thank you, Mr. Speaker.

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'll invite the Honourable Minister of Planning, Agriculture, Housing, Infrastructure, Transport and Development to exercise his right of reply.

Hon. Johany S. Ebanks: Thank you, Mr. Speaker.

I just want to thank the Honourable Members of the House for their full support. Also, the team in the Ministry; Chief Officer, Eric Bush; and the members of the Utility Regulation and Competition Office (OfReg) Board [and staff] for all of their support going forward. Thank you so much.

The Speaker: The question is that a Bill shortly entitled Information and Communications Technology (Validation) Bill, 2024 be given a second reading. Those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Information and Communications Technology (Validation) Bill, 2024 was given a second reading.

The Speaker: The House will now resolve itself into Committee for consideration of the Bills.

House in Committee at 4.10 p.m.

COMMITTEE ON BILLS

The Chairman: Please be seated.

[Pause]

The Chairman: 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 first Bill and read the clauses.

BANKS AND TRUST COMPANIES (AMENDMENT) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 6 of the Banks and Trust Companies Act (2021 Revision) - application to be made to Authority
Clause 3	Amendment of section 27 of the Banks and Trust Companies Act (2021 Revision) - regulations
Clause 4	Transitional

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.

Agreed: Clauses 1 through 4 passed.

The Clerk: A Bill for an Act to amend the Banks and Trust Companies Act (2021 Revision) to provide that the application fee for the grant of a licence is non-refundable; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

COMPANIES (AMENDMENT AND VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	Insertion of section 29A in the Companies Act (2023 Revision) - name reservation
Clause 3	Repeal and substitution of section 159 – company, creditor or member may apply to court for company to be reinstated
Clause 4	Insertion of section 199A - fees for administrative services
Clause 5	Repeal and substitution of section 200 - express fees
Clause 6	Amendment of section 283 - regulations
Clause 7	Amendment of Schedule 5 - fees
Clause 8	Validation of payment and collection of fees
Clause 9	Orders or determinations by court not affected

The Chairman: The question is that clauses 1 through 9 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 9 passed.

The Clerk: A Bill for an Act to amend the Companies Act (2023 Revision) to provide for applications for name reservation; to provide for the charging of fees for administrative services; to expand the list of transactions in respect of which express fees may be paid; to validate certain revenue collection actions of the Registrar; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

COMPANIES MANAGEMENT (AMENDMENT) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 5 of the Companies Management Act (2024 Revision) - application to be made to Authority

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.

Agreed: Clauses 1 and 2 passed.

The Clerk: A Bill for an Act to amend the Companies Management Act (2024 Revision) to provide that the fee for an application for a licence is non-refundable; and for incidental and connected purposes.

The Chairman: The question is that the Title do stand 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 AND VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	Insertion of section 5A in the Exempted Limited Partnership Act (2021 Revision) - name reservation
Clause 3	Insertion of section 12A - fees for administrative services
Clause 4	Repeal and substitution of section 13 - express fees
Clause 5	Amendment of section 36 - dissolution
Clause 6	Amendment of section 41 - de-registration pursuant to partnership agreement
Clause 7	Amendment of section 42 - registration of foreign limited partnerships
Clause 8	Amendment of section 48 - regulations
Clause 9	Validation of the Exempted Limited Partnership Regulations, 2014
Clause 10	Validation of payment and collection of fees
Clause 11	Orders or determinations by court not affected

The Chairman: The question is that clauses 1 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 1 through 11 passed.

The Clerk: A Bill for an Act to amend the Exempted Limited Partnership Act (2021 Revision) to provide for applications for name reservation; to provide for the charging of fees for administrative services; to expand the list of transactions in respect of which express fees may be paid; to introduce new fees; to validate the Exempted Limited Partnership Regulations, 2014; to validate certain revenue collection actions of the Registrar; and for incidental and connected purposes.

The Chairman: The question is that the Title do stand 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 AND VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 4 of the Insurance Act, 2010 - licences
Clause 3	Amendment of section 7 - licence renewal fees
Clause 4	Amendment of section 28B - registration of exempted company as portfolio insurance company

Clause 5	Insertion of section 39A - waiver or reduction of fees by Cabinet
Clause 6	Validation of collection of annual fees and surcharges from portfolio insurance companies
Clause 7	Orders or determinations by a court not affected
Clause 8	Transitional

The Chairman: The question is that clauses 1 through 8 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 8 passed.

The Clerk: A Bill for an Act to amend the Insurance Act, 2010 to provide that the application fee for an application for a licence or for registration as a portfolio insurance company is non-refundable; to provide for the payment of annual fees by persons registered under the Act; to amend the provisions relating to the registration of exempted companies as portfolio insurance companies; to validate the charging and collection of annual fees in respect of portfolio insurance companies; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

LIMITED LIABILITY COMPANIES (AMENDMENT AND VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 46 of the Limited Liability Companies Act (2023 Revision) - merger and consolidation
Clause 3	Amendment of section 50 - merger or consolidation with exempted companies
Clause 4	Amendment of section 51 - merger or consolidation with foreign companies
Clause 5	Amendment of section 56 - conversion of an exempted company to a limited liability company
Clause 6	Insertion of sections 59A and 59B - administrative services; express fees
Clause 7	Validation of payment and collection of fees
Clause 8	Orders or determinations by court not affected

The Chairman: The question is that clauses 1 through 8 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 8 passed.

The Clerk: A Bill for an Act to amend the Limited Liability Companies Act (2023 Revision) in order to provide a statutory basis for the Registrar's collection of fees for several of the General Registry's services; to validate certain previous revenue collection actions of the Registrar; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Titled passed.

LIMITED LIABILITY PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 37 of the Limited Liability Partnership Act (2023 Revision) - deregistration pursuant to partnership agreement
Clause 3	Insertion of sections 45A and 45B - administrative services; express fees
Clause 4	Validation of payment and collection of fees
Clause 5	Orders or determinations by court not affected

The Chairman: The question is that clauses 1 through 5 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 5 passed.

The Clerk: A Bill for an Act to amend the Limited Liability Partnership Act (2023 Revision) in order to provide a statutory basis for the Registrar's collection of fees for various services; to validate certain previous revenue collection actions of the Registrar; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

MONETARY AUTHORITY (AMENDMENT AND VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	General amendments to the Monetary Authority Act (2020 Revision) - references to Parts
Clause 3	Amendment of section 46 - regulations
Clause 4	Repeal and substitution of Schedule 2 - fees
Clause 5	Validation of payment and collection of fees
Clause 6	Orders or determinations by court not affected
Clause 7	Transitional

The Chairman: The question is that clauses 1 through 7 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 7 passed.

The Clerk: A Bill for an Act to amend the Monetary Authority Act (2020 Revision) to provide for the making of Regulations prescribing the charging of fees for administrative services provided by the Authority to persons registered under any of the regulatory laws; to provide that fees may be prescribed as non-refundable; to repeal and replace Schedule 2; to validate certain revenue collection actions of the Authority; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

MUTUAL FUNDS (AMENDMENT AND VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	General amendments to the Mutual Funds Act (2021 Revision) - references to Parts
Clause 3	Amendment of section 4 - regulated mutual funds
Clause 5	Amendment of section 29 - Authority to administer this Act
Clause 6	Insertion of section 36A - waiver or reduction of fees by Cabinet
Clause 7	Validation of payment and collection of fees and of returns
Clause 8	Orders or determinations by court not affected
Clause 9	Transitional

The Chairman: The question is that clauses 1 through 9 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 9 passed.

The Clerk: A Bill for an Act to amend the Mutual Funds Act (2021 Revision) to provide for the charging of fees for certain transactions; to provide that the application fee for a Mutual Fund Licence is non-refundable; to validate certain revenue collection actions; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 2 of the Partnership Act (2024 Revision) - interpretation

Clause 3	Insertion of section 49A - name convention
Clause 4	Insertion of section 54A - administrative services
Clause 5	Repeal and substitution of section 55 - express fees
Clause 6	Amendment of section 56 - regulations
Clause 7	Validation of payment and collection of fees
Clause 8	Orders or determinations by court not affected

The Chairman: The question is that clauses 1 through 8 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 8 passed.

The Clerk: A Bill for an Act to amend the Partnership Act (2024 Revision) to provide for the name convention for limited partnerships; to provide for the Registrar's collection of fees for various services; to validate certain revenue collection actions of the Registrar; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

PRIVATE FUNDS (AMENDMENT AND VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 6 of the Private Funds Act (2021 Revision) - application to be registered
Clause 3	Amendment of section 11 - Authority to be informed of changes
Clause 4	Amendment of section 14 - annual return
Clause 5	Validation of payment and collection of fees
Clause 6	Orders or determinations by court not affected
Clause 7	Transitional

The Chairman: The question is that clauses 1 through 7 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 7 passed.

The Clerk: A Bill for an Act to amend the Private Funds Act (2021 Revision) to provide for the charging of fees for certain transactions; to provide for a non-refundable application fee for an application by a private fund to be registered under the Act; to validate certain revenue collection actions; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

SECURITIES INVESTMENT BUSINESS (AMENDMENT AND VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 2 of the Securities Investment Business Act (2020 Revision) - interpretation
Clause 3	Amendment of section 5 - requirement for a licence, registration, deregistration and fees payable
Clause 4	Amendment of section 6 - application for a licence
Clause 5	Amendment of section 11 - regulations
Clause 6	Amendment of section 16 - powers and duties of the Authority
Clause 7	Validation of payment and collection of fees
Clause 8	Orders or determinations by court not affected

The Chairman: The question is that clauses 1 through 8 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 8 passed.

The Clerk: A Bill for an Act to amend the Securities Investment Business Act (2020 Revision) to provide for fees for deregistration; to provide for fees for the filing of material changes by registered persons under section 5; to provide for fees for restricted licences; to provide for certain new definitions; to provide for the validation of fees collected by the Authority; and for incidental and connected purposes.

The Chairman: The question is that the Title do stand 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: Honourable Members, I am going to take a 15 minute suspension to allow the Premier and her team to consider the proposed Amendment to the Virtual Asset (Service Providers) (Amendment) Bill, 2024 given the short notice that they have had to deal with the matter.

If we could all make a real effort to be back in our seats, if you need to leave them at all, at a quarter to five. The Committee will suspend until a quarter to five.

Committee suspended at 4.35 p.m.

Committee resumed at 5.17 p.m.

The Chairman: That was a rather long 15 minutes but proceedings of Committee are resumed.

VIRTUAL ASSET (SERVICE PROVIDERS) (AMENDMENT) BILL, 2024

The Clerk:
Clause 1 Short title and commencement

The Chairman: The question is that clause 1 do stand part of the Bill. All those in favour, please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Clause 1 passed.

The Clerk:
Clause 2 Amendment of section 2 of the Virtual Asset (Service Providers) Act (2024 Revision) - interpretation

AMENDMENT TO CLAUSE 2

The Chairman: I have received notice of an amendment to clause 2 of the Bill and I have given the honourable Member for West Bay South leave to move the Amendment. Would he do so now, please?

Mr. André M. Ebanks: Thank you, Mr. Chair.

In accordance with the provisions of Standing Order 52(1) and (2), I, the honourable André Ebanks, elected Member for West Bay South give notice to move the following amendments to the Virtual Asset (Service Providers) (Amendment) Bill, 2024—

1. That the Bill be amended in clause 2 as follows—
   (a) by inserting in the appropriate alphabetical sequence the following words in subclause (a)(i)— "issuance of virtual assets" or "virtual asset issuance"; and
   (b) by inserting in the appropriate alphabetical sequence the following definition in subclause (a)(iii)— "issuance of virtual assets" or "virtual asset issuance" means the sale of the newly created virtual assets to the public in or from within the Islands in exchange for fiat currency, other virtual assets or other consideration, but does not include the sale of virtual service tokens nor, for the avoidance of doubt, equity interests as defined under the Mutual Funds Act, investment interests as defined under the Private Funds Act (in accordance with any statement of guidance or rule that may be issued by the Authority)".

The Chairman: The Amendment has been duly moved. Does any Member wish to speak thereto?

Mr. André M. Ebanks: I do, Mr. Chair.

The Chairman: I'm *gonna* try to observe proper protocol in Committee, where Members are called by their names. Mr. Ebanks.

Mr. André M. Ebanks: Thank you, Mr. Chair.

First of all, thank you Mr. Chair for allowing this beyond the standard notice under the Standing Orders. Thank you for that, Mr. Chair.

As I alluded to in the debate, I believe we have a unique opportunity to answer the Members' search for growth that was said in a number of debates on a number of Bills this evening. I recall that this was one of the issues when the Bill was out for consultation between industry, the primary regulator (the Monetary Authority) and the Ministry, whereby we are, as a jurisdiction, losing market share in the form of investment funds that are now tracked by Blockchain technology, as opposed to traditional electronic central registers.

The effect of that is not only are we losing market share to competing jurisdictions, we're then not keeping up with the innovation in the fund sector, and then we're also not creating an opportunity for growth. The risk by not acting today is that this trend continues over time and the traditional technology gets overtaken by the new technology and funds just continue to set up in another jurisdiction rather than where they properly should be.

The concern was not as large, Mr. Chair, when it was smaller asset managers, but now that some of the largest private equity houses in the world (which are naturally our clients) have moved to this technology… As the Premier rightly said in one of the debates on the Bill, anything can happen next month, the month after, where we might not have this unique opportunity to assist the industry where there is little downside. There may be consequential amendments that may have to be made, but ultimately, the Monetary Authority, as far as I know, in principle is in agreement primarily because they still have industry practice rules so that they can issue guidance to limit the scope for unintended consequences.

With that Mr. Speaker, I would move that this House continues to assist the country's key financial driver, and continue to innovate the bread and butter of our financial services, which is investment funds.

The Chairman: Does any other Member wish to speak? *[Pause]*

The Honourable Premier.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Chair.

Mr. Chair, thank you for giving the Government an opportunity to consider this last-minute Amendment. We've considered it; we've consulted with our legal team as well as our technical team and the regulators. The consensus is that in principle it is agreed, but the regulators' position have not changed from when the former Minister was there. The industry, I'm reliably informed, had agreed with it and saw the significance, but the regulators wanted more time to consider it because of the possible unintended consequences, in particular as would relate to the Mutual Funds Act and the Private Funds Act.

The Government would give the commitment to reconvene, subject to Members coming to make a quorum in January, which would give the regulator time to continue her negotiations and getting the opinions of the legal team to ensure that we get it right. The Government wishes in principle to support it, but not at this particular time. We would be much happier to take the advice of our regulators at this time who are not in a position to agree to it based on the advice that I've obtained during the break.

The Chairman: Thank you. Does any other Member wish to speak? *[Pause]*

Mr. McKeeva Bush.

Hon. W. McKeeva Bush: No Mister; Honourable. Thank you very much, Mr. Chair.

Mr. Chair, did I understand the Member for West Bay West that there is business—

An Hon. Member: South

Hon. W. McKeeva Bush: South—

[Inaudible interjection]

Hon. W. McKeeva Bush: I know him well he's my cousin.

That there is business, he's saying big business that could fly away if we don't put this in today?

[Inaudible interjection]

Hon. W. McKeeva Bush: And how long did you know that?

The Chairman: Mr. Ebanks.

Mr. André M. Ebanks: As I mentioned in my opening remarks, this was part of consultation with industry. I can't speak as to why it didn't feature in the Bill as published, but this was not something new. Also, it's not a question of [if] business may fly away, the industry's concern is that it *is* presently flying away.

Hon. W. McKeeva Bush: And you had that knowledge before?

Mr. André M. Ebanks: The Ministry, CIMA and industry all had the knowledge before and it did not feature—

Hon. W. McKeeva Bush: Did you as the Minister who left the Government, did you know that business was flying away with this piece of legislation to come, and was not yet clamped down, [or] made to where it could have been understood by CIMA, our regulator?

The Chairman: Mr. Bush, could I ask you to direct your responses through the Chair?

Hon. W. McKeeva Bush: Mr. Chairman, but you know we're always talking to you.
[Laughter]

The Chairman: Let's keep it civil.

Mr. André M. Ebanks: Through you, Mr. Chair: I answered the Member's question already. Yes, all parties that were described in my opening remarks were aware, all parties were consulting on the provision, all parties knew they had time to be able to consider it; and that's why all parties were in agreement in principle.

Hon. W. McKeeva Bush: Mr. Chairman.

The Chairman: Mr. Bush.

Hon. W. McKeeva Bush: To the Member: did CIMA say it to you that they had concerns about what was being proposed?

Mr. André M. Ebanks: CIMA's concerns as I understood it at the time was that they wanted to be able to issue a statement of guidance or rules in order to enact it, which is what's in the clause.

Hon. W. McKeeva Bush: So far that has not been able [to happen] because that's what we've been told by our regulator whom we always said we should follow. All this legislation and other things we're doing [and] we are talking about… *We should follow the regulator*. All the Premier is saying, let us take some more time. That cannot be that long; but we need to give the regulator whom you all built up to be the best thing in the world which we know has done well for the country…

Mr. André M. Ebanks: In response, Mr. Chair: the regulator would be given enough time because they had an opportunity to draft the statement of guidance or the rule. Thus, there isn't any doubt that we're listening to the regulator, which is why it's included in the clause.

Hon. W. McKeeva Bush: Mr. Chairman.

The Chairman: Mr. Bush, I don't think we're going anywhere with this it's back and forth.

Hon. W. McKeeva Bush: No, we're probably not; but I do need to say some things, Mr. Chairman.

The Chairman: Okay, keep it brief.

Hon. W. McKeeva Bush: Yes, if they would do the right things, yes.

Mr. Chairman, I repeat, if our regulator has put forward a position, I don't see why this House that claims that we are following what our regulator tells us to do that is right, and they said they needed more time to get the matter straight, to get to see whether there is more legislation that it's going to impact. We have been told now that it will impact at least two more pieces of legislation; we have been told that by the regulator. What are we going to do? Pass this now, Mr. Chairman, while we know that it's going to affect two other pieces of legislation? What do we do then? We *gonna* wait till January then or you want to come back Christmas Day to fix those two pieces of legislation? I don't know.

Mr. André M. Ebanks: Mr. Chair, just briefly acknowledging that I'm heartened that Mr. McKeeva Bush would like to observe regulation and would like to observe the Monetary Authority which would seem contrary to his statements in the House previously; so I'm heartened.

Hon. W. McKeeva Bush: *No, no, no, no, I ain't gonna take that*, Mr. Chairman. I'm not going to take that. He must withdraw that; he must withdraw that!

I stand by regulation. I'll put regulation in place and people who are crowning it now, objected then; so don't come tongue in cheek about see that I like regulation. I like it as much as you. I'm not a lawyer but I've been here 40 years and I've seen it and I put it in place, and this country has benefited from it; so don't talk crap to me.

The Chairman: Honourable Members, please. Now this is not at all constructive, this is an important matter and people have differences of view, but there is no need for this kind of… We are not discussing anything now, we… Let me not say anymore.

Does any other Member wish to speak? *[Pause]*

Hon. Joseph X. Hew, Leader of the Opposition: Mr. Chairman.

The Chairman: The Honourable Leader of the Opposition.

Hon. Joseph X. Hew, Leader of the Opposition: Thank you, Mr. Chairman.

Mr. Chairman, you just said that this is a very important piece of legislation and could be very impactful in a positive way as far as the development of the industry, but there also could be unintended consequences if not thought through properly. We in the Official Opposition—and others are free to speak—but obviously, our first sight of this Amendment was this afternoon just before the break and we've had an opportunity to hear from the Mover of the Amendment, Mr. Ebanks, and then we had an opportunity to hear from [the] Honourable Premier and the Attorney General.

We are in a situation where the Authority, CIMA, is now saying in principle, they're good with the language, and that obviously, there's a breakthrough when it comes to the bit at the end where it says **"…as defined under the Private Funds Act (in accordance with any statement of guidance or rule that may be issued by the Authority)".** However, the Authority (CIMA) has concerns that perhaps two other Acts may be affected by it and would like some time to review those, along with this Amendment, to ensure that there are no unintended consequences.

In our discussions with the Honourable Premier, it is felt that, and she will endeavour to, have Legal Drafting along, and we got the same commitment from the Attorney General to look at the possibility… or they will endeavour to bring back all three amendments, the Amendment to this Act, and, should need be, to the other two Acts that they feel would be impacted; God willing, when or if we meet in January. Considering the time of the year, it's a challenge, but also considering the time of the year that company fees have been paid and persons are probably not considering these sorts of drastic moves. There's business that we've already lost, businesses that have already registered overseas, we've lost that.

We are comfortable and I am certainly comfortable and we will do everything that we can to help the Premier to ensure that we see these Amendments come back, including those with the other affected Acts.

I think that is the position we're going to take Mr. Chairman, because we have not had an opportunity to have any further insight on this and to have any other consultation on this, we have to follow the Attorney General and the Monetary Authority's lead on this.

The Chairman: Does any other Member wish to speak? *[Pause]*

Hon. Katherine A. Ebanks-Wilks, Elected Member for West Bay Central: Mr. Chair.

The Chairman: Mrs. Ebanks-Wilks.

Hon. Katherine A. Ebanks-Wilks: Thank you.

I was just seeking clarification then that there is going to be a commitment that the Amendments would be coming back at the next sitting.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Mr. Speaker, I'm happy to repeat what I said earlier. Having spoken to my legal team, the technical team including the regulators, they were okay with it in principle. The regulators wanted more time to deal with it, to speak to their own legal team because they felt that, perhaps, there could be unintended consequences with the Mutual Funds Act and the Private Funds Act, in the first instance.

God willing, we hope to convene Parliament again in January, and at that time, the Government commits to bring it back to the Parliament.

The Chairman: [Does] any other Member wish to speak? *[Pause]*

Mr. Ebanks.

Mr. André M. Ebanks: Thank you, Mr. Chair.

Through you, Mr. Chair: That's an important question that Mrs. Ebanks-Wilks had to reiterate. I was only in the energised discussion with Mr. McKeeva Bush just clarifying what I knew and who knew it and who knew it when.

On the direct question of whether or not the House finds it more prudent even though all parties are in principle, as long as we have the commitment that if the House should meet in either January or February to bring this back with any other consequential or connected amendments it seems that can be acceptable for us. However, I just caution the fact that this has been part of a long consultation; this is not a new issue. That's why I believe CIMA was in principle, comfortable, but I just want to be sure that this actually happens because if we lose the opportunity there could be unintended consequences the other way, of more loss of business.

The Chairman: Mr. Ebanks, it seems to me that from the talk and the statements Members have made that if you press ahead with this Amendment, you're *gonna* lose it. The choice really at this stage is whether you wish to withdraw the Amendment or whether you want to press it for a vote.

Mr. André M. Ebanks: Mr. Chair, just to clarify my last statement. That's what I was indicating. I'm happy to withdraw now that Mrs. Ebanks-Wilks has had the Premier reiterate that this will be brought back with consequential amendments in the next meeting of the House within this Administration.

I would hereby withdraw.

The Chairman: I need you to move that Motion. A motion to withdraw your Motion. You don't need a seconder in Committee, you can just do it yourself.

Mr. André M. Ebanks: Mr. Speaker, I, Hon. André Ebanks, Member for West Bay South do hereby withdraw this Committee Stage Amendment…

The Chairman: You need to move it as a motion.

Mr. André M. Ebanks: …and move a motion for the withdrawal of the Committee Stage Amendment.

The Chairman: The question is that the proposed Amendment to clause 2 of the Virtual Asset (Service Providers) (Amendment) Bill, 2024 be withdrawn. All those in favour, please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

The Amendment—

Hon. W. McKeeva Bush: Division?

The Chairman: Could you let me finish?

Hon. W. McKeeva Bush: I thought you had.

The Chairman: Notice of Committee Stage Amendment Virtual Asset (Service Providers) (Amendment) Bill, 2024 is hereby withdrawn.

The Chairman: Mr. William McKeeva Bush, you wish to say something?

Hon. W. McKeeva Bush: It's on record that I have asked for a division. Yes, that's what I would like.

The Chairman: Madam Clerk, can we divide?

Division No. 23 of 2024-2025

AYES: 15	NOES: 0
Hon. Juliana Y. O'Connor-Connolly	
Hon. Kenneth V. Bryan	
Hon. Johany S. Ebanks	
Hon. Isaac D. Rankine	
Hon. Dwayne S. Seymour	
*Hon. W. McKeeva Bush	
Hon. Joseph X. Hew	
Ms. Barbara E. Conolly	
**Mr. André M. Ebanks	
Hon. Katherine A. Ebanks-Wilks	
Mrs. Sabrina T. Turner	
Hon. Heather D. Bodden	
Hon. G. Wayne Panton:	
Mr. Moses I. Kirkconnell	
Mr. Roy M. McTaggart	

ABSTENTIONS: 1
Mr. Bernie A. Bush

ABSENT: 2
Mr. David C. Wight
Mr. Christopher S. Saunders

***Hon. W. McKeeva Bush:** *To withdraw? Definitely.*
****Mr. André M. Ebanks:** *To withdraw? Definitely, with my caveats.*

The Chairman: [Result:] 15 Ayes, 1 Abstention, 2 Absentees. Well, I've said that already, but the Motion to withdraw is carried.

Agreed: Amendment to clause 2 withdrawn.

The Clerk:

Clause 2	Amendment of section 2 of the Virtual Asset (Service Providers) Act (2024 Revision) - interpretation
Clause 3	Amendment of section 3 - meaning of "virtual asset service provider"
Clause 4	Amendment of section 4 - registration or licence required
Clause 5	Amendment of section 5 - fees
Clause 6	Amendment of section 6 - application for registration
Clause 7	Amendment of section 8 - application for virtual asset service licence
Clause 8	Amendment of section 9 - general requirements for virtual asset service providers
Clause 9	Amendment of section 10 - requirements: virtual asset custody services
Clause 10	Repeal of section 13 - directions to apply for licence under this Act
Clause 11	Repeal and substitution of sections 14 and 15 - directions to apply for a licence under another regulatory law; notice by existing licensee
Clause 12	Amendment of section 16 - waiver
Clause 13	Amendment of section 19 - application for a sandbox licence
Clause 14	Repeal of Part 4 - decisions to licence, register, approve issuances
Clause 15	Amendment of section 24 - powers and duties of the Authority
Clause 16	Amendment of section 25 - enforcement powers of the Authority
Clause 17	Amendment of section 26 - direction to cease and desist
Clause 18	Amendment of section 27 - revocation of licence
Clause 19	Amendment of section 28 - shares not to be issued or transferred without the prior approval of the Authority
Clause 20	Amendment of section 30 - appeals against decisions made by the Authority
Clause 21	Amendment of section 31 - audit of accounts
Clause 22	Amendment of section 32 - duty of auditor
Clause 23	Repeal and substitution of section 33 - entry and search of premises
Clause 24	Amendment of section 39 - regulations
Clause 25	General amendments to the Virtual Asset (Service Providers) Act (2024 Revision)
Clause 26	Transitional

The Chairman: The question is that clauses 1 through 26 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 26 passed.

The Clerk: A Bill for an Act to amend the Virtual Asset (Service Providers) Act (2024 Revision) to amend definitions and provide new definitions of terms used in the Act; to improve the supervision of certain virtual asset activities; to provide that the fees payable under the Act are non-refundable; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

INFORMATION AND COMMUNICATIONS TECHNOLOGY (VALIDATION) BILL, 2024

The Clerk:

Clause 1	Short title
Clause 2	Interpretation
Clause 3	Validation of licence fees
Clause 4	Immunity
Clause 5	Orders or determinations by a court
Clause 6	Transitional provisions - pending and ongoing proceedings

The Chairman: The question is that clauses 1 through 6 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: A Bill for an Act to validate the charging, payment and collection of licence fees during specified periods; to validate certain actions taken in the charging and collection of licence fees; and for incidental and connected purposes.

The Chairman: The question is that the Title do stand 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: That concludes the consideration by this Committee of the Bills numbered 1 through 14 on today's Order Paper. The question now is that the Bills be reported to the House.

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

AYES.

The Chairman: The Ayes have it.

Agreed: The Bills to be reported to the House.

House resumed at 5.48 p.m.

The Speaker: The House is resumed.

Suspension of Standing Order 10(2)

The Speaker: May I call on the Honourable Premier to move the suspension of Standing Order 10(2) in order that the business of the House may continue beyond the hour of interruption which has passed some time ago?

Please be seated.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Mr. Speaker, I wish to move the suspension of Standing Order 10(2) to allow the House to continue beyond the hour of 4:30 p.m.

The Speaker: The question is that Standing Order 10(2) be suspended in order that the business of the House may continue beyond the hour of interruption. Those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Standing Order 10(2) suspended.

[Pause]

REPORT ON BILLS

BANKS AND TRUST COMPANIES (AMENDMENT) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that a Bill shortly entitled the Banks and Trust Companies (Amendment) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: The Banks and Trust Companies (Amendment) Bill, 2024 was passed without Amendment and is accordingly set down for a third reading.

COMPANIES (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that a Bill shortly entitled the Companies (Amendment and Validation) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Companies (Amendment and Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

COMPANIES MANAGEMENT (AMENDMENT) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that a Bill shortly entitled the Companies Management (Amendment) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Companies Management (Amendment) Bill, 2024 has been duly reported to this House and is set down for a third reading

EXEMPTED LIMITED PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that a Bill shortly entitled the Exempted Limited Partnership (Amendment and Validation) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Exempted Limited Partnership (Amendment and Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

INSURANCE (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that a Bill shortly entitled the Insurance (Amendment and Validation) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Insurance (Amendment and Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

LIMITED LIABILITY COMPANIES (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that the Limited Liability Companies (Amendment and Validation) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Limited Liability Companies (Amendment and Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

LIMITED LIABILITY PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, again, Mr. Speaker.

Mr. Speaker, I have to report that a Bill shortly entitled the Limited Liability Partnership (Amendment and Validation) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Limited Liability Partnership (Amendment and Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

MONETARY AUTHORITY (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that the Monetary Authority (Amendment and Validation) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Monetary Authority (Amendment and Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

MUTUAL FUNDS (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that the Mutual Funds (Amendment and Validation) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Mutual Funds (Amendment and Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

PARTNERSHIP (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Once again, thank you, Mr. Speaker.

Mr. Speaker, I have to report that the Partnership (Amendment and Validation) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Partnership (Amendment and Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

PRIVATE FUNDS (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that the Private Funds (Amendment and Validation) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Private Funds (Amendment and Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

SECURITIES INVESTMENT BUSINESS (AMENDMENT AND VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that the Securities Investment Business (Amendment and Validation) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Securities Investment Business (Amendment and Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

VIRTUAL ASSET (SERVICE PROVIDERS) (AMENDMENT) BILL, 2024

The Speaker: I recognise the Honourable Premier and Minister of Financial Services.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Speaker.

Mr. Speaker, I have to report that a Bill shortly entitled the Virtual Asset (Service Providers) (Amendment) Bill, 2024 was considered by a Committee of the whole House and passed at the Committee Stage without Amendment.

The Speaker: Accordingly, the Virtual Asset (Service Providers) (Amendment) Bill, 2024 has been duly reported to this House and is set down for a third reading.

INFORMATION AND COMMUNICATIONS TECHNOLOGY (VALIDATION) BILL, 2024

The Speaker: I recognise the Honourable Minister of Planning, Agriculture, Housing, Infrastructure, Transport and Development.

Hon. Johany S. Ebanks: Mr. Speaker, I'm happy to report that Information and Communications Technology (Validation) Bill, 2024 was considered by a Committee of the whole House and was passed at the Committee Stage without Amendments.

The Speaker: Accordingly, the Information and Communications Technology (Validation) Bill, 2024 has been duly reported to this House and is set down for a third reading.

ADJOURNMENT

The Speaker: Madam Premier, may I invite you to move the adjournment?

The Premier, Hon. Juliana Y. O'Connor-Connolly: Once again, thank you, Mr. Speaker. Thank you for your indulgence of going past 4.30 p.m. so that we could have the important business of Parliament continued. I'd like now, Sir, to move the adjournment of this honourable Parliament until 10 a.m. on Wednesday, 11th December.

The Speaker: The question is that this House do now adjourn until 10 a.m. on Wednesday, 11th December.

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

AYES.

The Speaker: The Ayes have it.

At 6.01 p.m. the House stood adjourned until 10 a.m. Wednesday, 11th December, 2024.