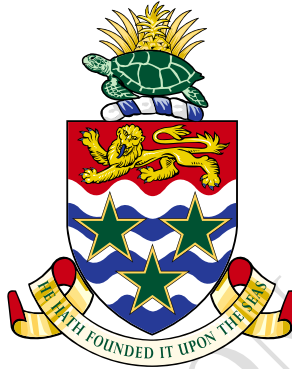


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CAYMAN ISLANDS



LIMITED LIABILITY COMPANIES (AMENDMENT) (NO.3) BILL, 2020

A BILL FOR A LAW TO AMEND THE LIMITED LIABILITY COMPANIES LAW (2020 REVISION) TO ENHANCE THE OVERSIGHT OF THE KEEPING OF ACCOUNTING RECORDS; AND FOR INCIDENTAL AND CONNECTED PURPOSES

PUBLISHING DETAILS

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CAYMAN ISLANDS



**LIMITED LIABILITY COMPANIES
(AMENDMENT) (NO.3) BILL, 2020**

Arrangement of Clauses

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CAYMAN ISLANDS

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(AMENDMENT) (NO.3) BILL, 2020**

A BILL FOR A LAW TO AMEND THE LIMITED LIABILITY COMPANIES LAW (2020 REVISION) TO ENHANCE THE OVERSIGHT OF THE KEEPING OF ACCOUNTING RECORDS; AND FOR INCIDENTAL AND CONNECTED PURPOSES

ENACTED by the Legislature of the Cayman Islands.

Short title

1. This Law may be cited as the Limited Liability Companies (Amendment) (No.3) Law, 2020.

Insertion of section 56BA in the *Limited Liability Companies (2020 Revision)* - striking off for failure to pay fine

2. The *Limited Liability Companies Law (2020 Revision)*, in this Law referred to as the “principal Law”, is amended by inserting after section 56B, the following section —

“Striking off for failure to pay fine

- 56BA.** Where an administrative fine remains unpaid for ninety days after imposition of the administrative fine, the Registrar may strike the limited liability company off the register and the company shall thereupon be dissolved.”.

Amendment of section 63 – accounts and records

3. The principal Law is amended in section 63 by inserting after subsection (4), the following subsections —

- “(4A) Every limited liability company shall, in January of each year after the year of its registration, furnish to the Registrar, a return which shall be in the form of a declaration that —
- (a) the limited liability company is maintaining proper books of account;
 - (b) states whether the limited liability company is required to file with the Authority information regarding its accounts under any regulatory law;
 - (c) states the physical address of the place at which the limited liability company keeps its books of account; and
 - (d) where applicable, confirms the limited liability company has provided to its registered office, semi-annually, information regarding its books of account that will enable managers to ascertain the financial position of the limited liability company with reasonable accuracy.
- (4B) A limited liability company which keeps its books of account outside of the Islands shall provide to its registered office, semi-annually, information regarding its books of account that will enable managers to ascertain the financial position of the limited liability company with reasonable accuracy.
- (4C) Subsection (4B) shall not apply to a limited liability company that complies with a requirement under any regulatory law to file information regarding its accounts to the Authority.
- (4D) A limited liability company which fails to comply with subsection (4B) without reasonable excuse commits an offence and is liable on summary conviction to a fine of five thousand dollars and every manager or other officer concerned in the management of the limited liability company who knowingly and wilfully authorizes or permits the contravention shall incur the like penalty.”.

Amendment of Schedule - administrative fines

4. The principal Law is amended by inserting after the Schedule subheading “Administrative fines” the following Schedule subsubheadings and sections —

“Miscellaneous

No.	Section	Description of breach
1.	63(4A)	Failure of a limited liability company, before the expiry of the period for late filing of the return or



		<p>the payment of the fee under section 57(2), to furnish to the Registrar a return in the form of a declaration that —</p> <ul style="list-style-type: none"> (a) the limited liability company is maintaining proper books of account; (b) states whether the limited liability company is required to file with the Authority, information regarding its accounts under any regulatory law; (c) states the physical address of the place at which the limited liability company is keeping its books of account; or (d) where applicable, confirms that the limited liability company has provided to its registered office, semi-annually, information regarding its books of account that will enable managers to ascertain the financial position of the limited liability company with reasonable accuracy.
2.	63(4B)	Failure of a limited liability company which does not comply with a requirement under any regulatory law to file information regarding its accounts to the Authority, which keeps its books of account outside of the Islands to provide to its registered office, semi-annually, information regarding its books of account.

Beneficial Ownership”.

Passed by the Legislative Assembly the day of , 2020.

Speaker

Clerk of the Legislative Assembly

