

Guide to company management licencing in the Cayman Islands

MARCH 2025

Licensing background

Any person or entity wishing to carry out a company management business must first obtain a licence from the Cayman Islands Monetary Authority (CIMA).

The Companies Management Act (As Revised) (CMA) defines 'business of company management' as 'the provision of managerial services for profit or reward in or from within the islands, whereby a person is a director for or a shareholder of a company or when the control over the whole or substantial assets of the company is vested in the management company.'

There are two categories of licence available under the CMA, namely Corporate Services Licence and Company Manager Licence. Accordingly, any person or entity organised or established in the Cayman Islands who wish to carry out the business of company management in or from within the Cayman Islands must apply for the grant of the appropriate category of company management licence.

CIMA may grant a Corporate Services Licence or a Company Manager Licence to the applicant either unconditionally or subject to conditions. CIMA may not grant a licence unless it is satisfied by the applicant that:

1. the applicant has sufficient expertise to carry on the business of company management; and
2. the applicant's business of company management will be carried on by persons who are fit and proper persons to be directors or, as the case may be, managers or officers.

In determining for the purposes of the CMA whether a person is a fit and proper person, regard shall be had to all circumstances, including that person's:

1. honesty, integrity and reputation;
2. competence and capability; and
3. financial soundness.

Where CIMA has granted a licence under the CMA, it will immediately publish notification of the grant in the Cayman Islands Gazette. Any person licensed or registered under the CMA must comply with the applicable CIMA regulatory measures, which we can provide further advice on. These include, amongst others, those relating to corporate governance, outsourcing, retention of records, cybersecurity and internal controls.

No person who is licensed under the CMA is required to be licensed under the Trade and Business Licensing Act (As Revised) or the Local Companies (Control) Act (As Revised) in respect of that person's business of company management.

Corporate services licence

Under the CMA a corporate services licence is required in order to provide the following services:

- acting as a company formation agent;
- providing a registered office or business address for a company;
- establishing and maintaining beneficial ownership registers on behalf of companies and limited liability companies incorporated or formed in the Cayman Islands, offering an information technology solution to those companies and limited liability companies to make extracts of information on the beneficial ownership register searchable by the competent authority established under the Beneficial Ownership Transparency Act (As Revised) (BOTA) and responding to requests from the competent authority about whether a company or a limited liability company or a subsidiary of the same is exempted from the application of the BOTA;
- providing an accommodation, correspondence or administrative address for a company or for any other person;
- filing statutory forms, resolutions, returns and notices;
- acting as or fulfilling the function of or arranging for another person to act as or fulfil the function of a person authorised to accept service of process on behalf of a foreign company carrying on business in the Cayman Islands or to accept any notices required to be served on it; or
- such other corporate services as may be prescribed specified in the regulations.

Application for a corporate services licence

A written application must be submitted to CIMA and must be accompanied by the relevant supporting documentation and the non-refundable application fee. The required information and supporting documentation are as follows:

- Cover letter;
- Registered office address;
- For each and every natural person listed who is a director, shareholder, manager, officer or controller, all of the following:
 - Personal questionnaire
 - Two character references
 - Financial reference from a bank/trust company
 - Evidence of two directors actively engaged in the business
 - Evidence of relevant experience of the directors (resume/CV)
 - A police clearance certificate;

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- Business plan/objectives;
- Names and addresses of all affiliates and subsidiaries as well as a statement of how much of each subsidiary's capital constitutes an asset of the applicant;
- A chart illustrating the relationship of the applicant to its parents, subsidiaries and affiliates;
- Names, addresses/country of incorporation and nationality of ultimate beneficial shareholders as well as any shareholder possessing more than 10% of the voting rights or issued share capital. Also, state the total number of shares issued as well as the number of shares held by each shareholder;
- Details of any authorisation currently held by the applicant to carry on its business in countries outside the Cayman Islands;
- Audited statements for the past two years for shareholders that are a company;
- Date of the applicant's financial year end;
- Certified copy of Memorandum and Articles of Association;
- Original certified copy of Certificate of Incorporation;
- Proof of insurance coverage with an authorised insurer licensed under the Insurance Act (as Revised) (IA);
- If the applicant is involved in business activities subject to regulation in another jurisdiction, they must attach confirmation of good standing and a letter of no objection from the relevant regulatory authority as well as a copy of the last years audited financial statements;
- An undertaking signed by the applicant that the information supplied in the application is true and correct; and
- An undertaking signed by directors to inform CIMA of any changes to the information supplied in this application should a licence be granted.

CIMA fees

Corporate Services Licence Fees

Application Fee	US\$ 1,219.51
First Grant Fee	US\$ 609.76
Annual Fee (depending on the number of serviced companies)	US\$ 914.64 to US\$ 14,024.39 Plus US\$121.96 per serviced company.

Company manager licence

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Under the CMA a company manager licence is required for providing the following services:

- all services listed under corporate services licence heading above;
- acting as or fulfilling the function of or arranging for another person to act as or fulfil the function of an officer of a company;
- acting as a nominee shareholder for a company;
- acting as or fulfilling the function of or arranging for another person to act as or fulfil the function of director or alternate director of a company;
- acting as or arranging for another person to act as secretary, alternate, assistant or deputy secretary of a company;
- acting as or fulfilling the function of or arranging for another person to act as or fulfil the function of an authorised custodian for the purposes of the Companies Act (As Revised);
- providing other corporate services involving the control of the whole or a substantial part of the assets of a company; and
- providing any additional corporate services as may be specified in regulations.

Application process for a company manager licence

A written application must be submitted to CIMA together with the same information and supporting documentation required for a corporate services licence (listed above). The application must be accompanied by the non-refundable application fee and the following additional supporting documentation:

- Confirmation from the auditors of applicants that the company has a paid up capital of US\$30,487.81 and is maintaining the required minimum net worth of US\$30,487.81, as stated in the CMA (Opening Balance Sheet stating assets and liabilities); and
- A letter of consent from a local auditor, approved by CIMA, stating that they are aware of their obligations under the CMA.

CIMA fees

Company Manager Licence Fees

Application Fee	US\$ 1,219.51
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First Grant Fee	US\$ 914.63
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Annual Fee (depending on the number of managed	US\$ 1,219.51 – US\$ 26,219.52
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companies)

Plus US\$ 219.52 per managed company.

Exclusions from licensing

The following are exempted from the licensing requirements under the CMA:

- A recognised custodian;
- a trust company which is the holder of a Trust licence to carry on trust business granted under paragraph (c) of section 6(5) of the Banks and Trust Companies Act (As Revised) (BTCA);
- a trust company which is the holder of a Restricted Trust licence granted under paragraph (e) of section 6(5) of the BTCA in respect of the clients and services specified in the restrictions;
- a trust company which is the holder of a Nominee (Trust) licence granted under paragraph (f) of section 6(5) of the BTCA in respect of the nominee function only;
- a holder of an Insurance Managers licence issued under the IA when engaged in the business of company management in respect of that holder's clients who are insurance companies licensed under that Act; or
- a holder of a Mutual Funds Administrator's licence granted under the Mutual Funds Act (As Revised) when engaged in the business of company management in respect of that holder's clients who are mutual funds whether or not licensed or regulated under the Mutual Funds Act.

Continuing obligations of licensee

- Pay the annual fee by the 15th of January of each year. If an annual fee is not paid by that date, a penalty of one-twelfth of the annual fee will be payable for each month or part of a month during which the annual fee and any penalty remains unpaid;
- inform CIMA of any changes in the registered office or the principal office;
- obtain CIMA's prior approval in order to issue or transfer any of the licensee's shares;
- must have a minimum of two directors;
- must obtain CIMA's prior approval in order to appoint a director or controller to the licensee;
- must remove or replace a director, or dismiss a senior officer, who is convicted in any country of an offence involving dishonesty within fourteen days of the conviction;
- must inform CIMA of any changes in auditor;
- must obtain CIMA's prior approval to change name of the licensee;
- must prominently display the licence issued at the premises where the business of company management is carried on;
- licensee must separately account for the funds and property of each client and their own funds and property

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- must obtain CIMA's prior approval to open outside the Cayman Islands a subsidiary, branch, agency or representative office;
- must be insured with an authorised insurer against all losses arising from claims in respect of civil liability incurred in connection with the business of company management:
 - by the licensee;
 - by any of that licensee's officers or employees, or former officers or employees; or
 - by any person who is or was:
 - a consultant to the licensee;
 - an associate employed by the licensee; or
 - working for the licensee as an agent.

In the case of a Company Manager Licensee

- must have accounts audited annually by an CIMA approved auditor;
- within six months of the financial year end must submit to CIMA:
 - a copy of the audited accounts;
 - a certificate of compliance pursuant to CMA and any regulations made thereunder or the Monetary Authority Act (As Revised), signed by the licensee or, if the licensee is a body corporate, a director of the licensee (Certificate of Compliance); and
 - an auditor's certificate of the existence of adequate procedures to ensure compliance by the licensee with any code of practice that may be issued (Auditor Certificate):
 - under section 113 of the Proceeds of Crime Act (As Revised); or
 - under regulations made hereunder.
- maintain its net worth at not less than US\$30,487.81 or such other sum as CIMA may prescribe

In the case of a Corporate Services Licensee

- maintain its net worth at such sum as CIMA may determine from time to time; and
- once every two years (or such shorter or longer period as CIMA may require in any individual case), forward to CIMA:
 - a Certificate of Compliance; and
 - an Auditor Certificate.

Contact

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Collas Crill is committed to helping you navigate the regulatory requirements and registration. If you require further information or assistance regarding your mutual funds analysis and registration requirements, please contact a member of the team on the right hand side of this page.

For more information please contact:



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