

LEGAL UPDATE

Deadline for Appointing AML Officers to Cayman Investment Funds launched Prior to 1 June 2018 is September 30th 2018

Introduction

In our last Legal Update (see link below) on how the Anti-Money Laundering Regulations (2018 Revision) of the Cayman Islands ("**AML Regulations**") have impacted Cayman Islands investment funds, we explained that the AML Regulations required each Cayman domiciled investment fund to designate natural persons to act as its Anti-Money Laundering Compliance Officer ("**AMLCO**"), Money Laundering Reporting Officer ("**MLRO**") and Deputy Money Laundering Reporting Officer ("**DMLRO**"). (<https://www.loebsmith.com/story/2018/06/22/developments-in-cayman-anti-money-laundering-regime/117/>).

Though all Cayman investment funds carrying out relevant financial business are required to designate appropriate AML Officers, only those investment funds that are regulated by the Cayman Islands Monetary Authority ("**CIMA**") are required to register certain details regarding those AML Officers with CIMA.

Each Cayman investment fund which launched prior to 1 June 2018 has until 30 September 2018 to designate entity specific AML Officers (and, where the relevant fund is registered with CIMA, to register the details of such officers with CIMA). Each Cayman investment fund launched from 1 June 2018 ("**Post May 2018 Funds**") are expected to have AML Officers designated from the time of launch. Post May 2018 Funds which are required to register with CIMA will be required to register details of their AML Officers at the time of fund registration with CIMA.

CIMA licensed or registered funds that have not registered AML Officers by the 30th September 2018 deadline may be the subject of enforcement action.

The recently issued FAQs CIMA ([CIMA AML FAQs](#)) from CIMA which answers a number of questions that will assist Cayman investment funds in complying with the new AML requirements. For example, the FAQs make it clear that:

- i. the individuals appointed as AMLCO, MLRO, and DMLRO are required to have specific knowledge regarding the applicable Cayman Islands legislative, regulatory and other requirements to discharge their respective functions efficiently and assist the funds to comply with the applicable AML/CFT obligations; and
- ii. While Cayman investment funds are not required to include biographical or other information relating to the persons appointed as AMLCO, MLRO and DMLRO in their Offering Documents, CIMA expects each fund to disclose in its Offering Document (1) that the Fund has designated an AMLCO, MLRO and DMLRO, and (2) details as to how investors may obtain further information in respect of such persons.

For specific advice on the appointment of AML Officers to your Cayman Islands' investment funds, please contact any of:

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