Cayman Islands
2019 Annual Client Memo

October 2019
Trident Trust - Who we are

Worldwide Offices
Founded in 1978, Trident Trust is a leading independent provider of corporate, trust and fund administration services to the financial services sector worldwide, employing over 900 staff across a global footprint that spans Africa, the Americas, Asia, the Caribbean, Europe and the Middle East. Find out more here.

Trident Cayman- the office
Our office was established in 1989 and has grown from a two-person team to a thriving 54-strong operation. It has a Category B Banking Licence; a Trust licence and a Mutual Fund Administrators licence from the Cayman Islands Monetary Authority ("CIMA"). Further information on our office can be found here.

Trident Cayman- key personnel
- Gwen McLaughlin - Managing Director
- Rafael Elias - Director
- Peter Walkley - Director
- Simon Gorter - Chief Operating Officer
- Alistair Dilbert - Manager Trusts
- Eva Moore - Manager Compliance
- Vanessa Sparrow - Manager Corporate
- Ben Darling - Senior Account Manager Business Development Funds

Find out more on each of the above here.

Trident Cayman - what we can do for you
- Company formation
- Partnership registration
- Limited Liability Company ("LLC") registration
- Registered office services
- Fund administration for mutual funds and private equity funds
- Registrar and Transfer Agent services for mutual funds and private equity funds
- Trustee and trust administration
- Cayman vessel registration and representation services
- Cayman Domiciliary/Economic Substance services
- Closure services - voluntary liquidation and strike off
- Document legalisation (notarisation/apostille) services
- Custodial services
- General Registry and Grand Court (Cause List) searches
- Service of Process Agent
- FATCA and CRS reporting
- Provision of AML compliance and reporting officers to investment funds and investment managers
- Government reporting assistance

**SSAE 16/ISAE 3402 Review (Service Organization Control 1, or “SOC 1”)**

Trident Cayman engages BDO to carry out its annual internal control review in accordance with the Statement of Standards for Attestations Engagements No. 16, Reporting on Controls at a Service Organization (“SSAE 16”), of the American Institute of Certified Public Accountants. BDO also examines Trident Cayman in accordance with the International Standard on Assurance Engagements No. 3402, Assurance Reports on Controls at a Service Organization (“ISAE 3402”). These examinations cover our fund operations. A copy of the current report is available on request to clients, prospective clients, or their auditors.

**Cayman Islands Entities**

Find out more [here](#) about the different types of Cayman Islands entities we can assist with and the important continuing statutory obligations of these entities.
Information and Reminders

Trident Cayman Appointment Fees

Cayman entities are generally required to have a local registered office, registered agent or representative, depending on the nature of their activities. Where Trident Cayman provides any of these services, or any fiduciary service such as director, officer, trustee, nominee shareholder or anti-money laundering officer, we charge an Appointment Fee for accepting the responsibilities of acting in the capacity as appointed. These fees are charged and billed on initial appointment and thereafter each year as part of our annual billings. These fees are non-refundable unless the appointment is cancelled within 30 days of receipt of the billing. Any work undertaken for the entity by Trident Cayman while it is engaged is charged on a time spent basis or under mutually agreed fixed fees.

“Know Your Customer” Obligations

Cayman Islands legislation requires Trident Cayman to have on file prescribed due diligence information concerning each of our clients and their directors, managers, shareholders, members, partners, beneficial owners and other related parties.

Legislation also requires that on clients where the necessary due diligence information is not provided, a Financial Service Provider ("FSP"), such as Trident Cayman, must determine whether they wish to continue the relationship with that client. Failure to properly assess the status of non-compliant clients will place the FSP’s own licence in jeopardy and can result in legal penalties. To meet these requirements Trident Cayman will notify each of our clients where due diligence remains outstanding and reserves the right to charge on a time spent basis for collecting same.

Data Protection and Data Retention

The Data Protection Law 2017 (“DPL”) came into effect on 30 September 2019. The DPL represents comprehensive data protection legislation and is similar in many respects to the European Union’s (“EU”) General Data Protection Regulation (GDPR) which came into force on 25 May 2018.

In general terms, DPL imposes strict regulations on entities handling personal data while simultaneously giving greater legal entitlements to persons whose data is being processed. Failure to comply with DPL can result in significant monetary fines. If not already done so, Cayman entities should review procedures and take appropriate action, consulting local legal counsel as necessary, to ensure compliance with DPL.

GDPR, DPL and other similar laws and regulations also stipulate that personal data cannot be maintained for longer than is necessary to fulfil the purpose for which it was collected.

As a service provider and regulated entity in the Cayman Islands, Trident Cayman is required by statute, regulation and contract to collect, process and maintain personal data. Trident Cayman’s data retention policies are based on the legal requirements of the Cayman Islands which have been set forth in the Anti-Money Laundering Regulations (2018 Revision) as amended, the Limitation Law (1996 Revision) and other laws and regulatory guidance.

To fulfil its statutory, regulatory and contractual obligations, Trident Cayman generally keeps client data and entity records for six years from the end of its relationship with a particular entity, after which the data is destroyed unless alternative arrangements have been made.
There may be situations where Trident Cayman is required to keep client data, including personal information, for longer than the stated six year period. These situations include but are not limited to instances where the retention periods required by statute, regulation or contract exceed six years, where data is archived or backed up pending destruction, or where Trident Cayman is required to keep data for longer as part of a court order.

For more information on the Trident Trust Group’s commitment to handling personal data please see our Fair Processing Notice which you can find posted on our website and can be downloaded here. If you would like more information on Trident Cayman’s retention policies, or if you require data to be retained by Trident Cayman longer than the routine periods listed above, please do not hesitate to contact your account administrator.

Terms of Business
Our Terms of Business can be read here. Please note that the Terms of Business supplement the respective service agreements which we have in place with each of our clients.

Regulated Sectors
Any entity domiciled in the Cayman Islands or doing business within or from the Cayman Islands which offers the following services may be subject to licensing requirements and regulation by CIMA unless they fall within the scope of the exemption categories contained in the relevant legislation.

Regulated sectors include:
- Banking Services
- Co-operative and Building Societies
- Corporate Services
- Insurance
- Investment Funds
- Money Services Business
- Securities
- Trusts

Please contact us if you need to determine whether an entity with which you are associated may be subject to possible licensing or other regulatory requirements from CIMA because of existing, or proposed changes to its business activities. The CIMA website provides extensive information and copies of all relevant laws and regulations.

Economic Substance Notification and Reporting
For 2019 and each subsequent year, a relevant entity will be required to file an Economic Substance Notification (“ES Notification”) which will need to be filed before an entity files its Annual Return. Trident Cayman will be contacting clients later in 2019 in respect of the ES Notification.

If a relevant entity has a relevant activity then twelve months after the last day of the end of each financial year commencing on or after 1 January 2019, a relevant entity carrying out any relevant activity will be required to file a return/report setting out details of income, expenses, assets, management, employees, physical presence and other matters. There are significant penalties for non-compliance with Cayman Islands economic substance and the possibility of the entity being struck off from the Registry. For further details in respect of economic substance please see our memo “Continuing Statutory Obligations of Cayman Islands Entities” here.
Filings with the Registrar of Companies

Exempted Company
In general, all Cayman Islands Exempted Companies must file an Annual Return with the Registrar of Companies. Trident Cayman will prepare, execute as authorised signatory and file your company’s Annual Return with the Registrar as applicable, provided we have received the company’s ES Notification and payment of our annual invoice by no later than 31 December of the year issued.

The Annual Return for each client entity will include the following representations, which Trident Cayman assumes will remain true in each case unless we have been specifically advised otherwise by you:

a. that there has been no alteration in the company’s Memorandum of Association, other than an alteration in the name of the company, or an alteration already reported in accordance with the law;

b. the operations of the company have been conducted mainly outside the Cayman Islands; and

c. the company has not, and will not, trade in the Cayman Islands (except in furtherance of its business outside the jurisdiction).

Please notify Trident Cayman immediately if any of these three representations is not correct for the current year with respect to your company.

Limited Liability Company (LLC)
All Cayman Islands LLCs must file an Annual Return with the Registrar of Companies. Trident Cayman will prepare, execute as authorised signatory and file your LLC’s Annual Return with the Registrar as applicable, provided we have received the LLC’s ES Notification and payment of our annual invoice by no later than 31 December of the year issued.

The Annual Return for each client’s LLC will include the representation that during the prior calendar year, the LLC complied with the LLC Law which Trident Cayman assumes will remain true unless we have been specifically advised otherwise by you. Please notify Trident Cayman immediately if this representation is not correct for the current year with respect to your LLC.

Exempted Limited Partnership (“ELP”)
Unless otherwise instructed in writing by the ELP and providing we have received payment of our annual invoice no later than 31 December of the year of issue, Trident Cayman will prepare, execute as authorised signatory of the ELP and file, on behalf of the ELP, the annual return to the Registrar pursuant to the ELP Law (the Annual Return). The ELP hereby authorises Trident Cayman to prepare, execute as authorised signatory of the ELP and file, on behalf of the ELP, the Annual Return and in connection therewith represents and warrants (the Annual Return Representation) that during the prior calendar year, the ELP complied with the ELP Law and that it has not undertaken business with the public in the Cayman Islands.

In connection with the preparation, execution and filing of the Annual Return by Trident Cayman on the ELP’s behalf each year, Trident Cayman shall be entitled to continuously rely on the Annual Return Representation except and until it has received written notice from the ELP that the Annual Return Representation is no longer true or accurate.

IMPORTANT NOTE- Annual Return Filings
In paying Trident Cayman’s annual invoice for an Exempted Company, LLC and ELP, the directors, shareholders, managers, members and partners as applicable acknowledge that they are aware that it is an offence to make or permit a false Annual Return declaration. Such offence could expose the Exempted Company, LLC, ELP, their shareholders, members, directors, managers, partners and officers to significant fines and penalties. The
Exempted Company, LLC and ELP may be liable to immediate dissolution and removal from the Register. In such a case, all of the entity’s assets would then vest in the Cayman Islands Government.

Registrar Penalties for Late Payment of Annual Fees or Late Filing of Annual Returns for a Company or other Entity (Based on the amount of the annual fee)

- Up to 31 March: Nil
- Between 1 April and 30 June: 33.33%
- Between 1 July and 30 September: 66.67%
- Between 1 October and 31 December: 100%

A Certificate of Good Standing cannot be obtained from the Registrar after 1 January for a company, or other entity, which has outstanding fees or returns due to the Registrar.

Annual Fee Payment Procedures

Trident Cayman’s annual billing cycle takes place in the fourth quarter of each year. This timing enables us to meet year-end government filing and payment deadlines. Therefore, kindly settle our invoices within 30 days of receipt as per our Terms of Business and in order to avoid government penalties.

Payment of government fees can only be made if all of our outstanding invoices have been paid in full and if we have been able to identify and credit the funds received to your account. Please ensure that the name of the Cayman entity and/or the invoice numbers are properly identified. If full and correct invoice numbers and/or name of the Cayman entity are not included, we may not be able to credit your payment which will result in the funds being returned. Such event may result in the entity incurring penalties for late paid government fees.

For entities formed during the year, we shall adjust our fees charged to bring them into line with our annual billing cycle. Please note that our general administration services and related expenses are billed separately throughout the year.

All Trident Cayman invoices are expressed in United States Dollars and should be paid by a bank wire transfer to ensure timely receipt.

Our Bank Details can be found here.

Please contact our office accounts team on 1-345-949 0880 or at cayman@tridenttrust.com should you have any questions with respect to our Bank Details.

This memo is intended to provide general information and guidance for the clients of Trident Cayman. It is not intended to be comprehensive and should not be construed as legal advice. Further information, news and updates from the Cayman Islands and the other jurisdictions in which Trident Trust provides services can be found here. Please contact us if you require additional information.