

# Cayman Islands

- Major offshore financial centre in the Caribbean
- Favoured jurisdiction for investment business and mutual funds
- Ability to list on leading stock exchanges, including Hong Kong

## Introduction

The Cayman Islands, which comprises three islands in the Caribbean Sea south of Cuba, is a British Overseas Territory, originally discovered by Christopher Columbus.

The financial services sector is one of the main industries in the Cayman Islands, and there is a substantial commitment by the government to the continued development of the offshore financial services industry. The reputation and popularity of the Cayman Islands have increased significantly, particularly in Asia, as it is one of the offshore centres approved by the Hong Kong Stock Exchange for public listings in Hong Kong. The Cayman Islands established its own stock exchange in 1997.

## Law and Taxation

Cayman Islands Companies Act (As Amended) is based on English common law. The most popular type of Cayman Islands company is the exempted company. A royal decree in 1798 freed exempted companies from tax indefinitely, and this decree remains in force. Exempted companies may apply for a 20-year tax exemption certificate, further enhancing their tax exempt status.

In November 2001, a new agreement with the United States (US) for the exchange of information was signed. This provides for the exchange of information, upon request, for criminal tax evasion and civil and administrative matters relating to US federal income. The agreement applies to criminal tax evasion for taxable periods commencing 1 January 2004, and to all other tax matters for taxable periods commencing 1 January 2006.

## Corporate Requirements

Exempted company names do not need to end with the suffix 'Limited' and the company name may be expressed in Chinese characters (including on the company's Certificate of Incorporation), so long as an English translation is provided.

All exempted companies must have a registered office provided by a licensed service provider. An exempted company needs at least one shareholder and one director, and corporate directors are permitted. The Register of Directors, Officers, and Charges must be kept at the registered office. A copy of the Register of Directors and Officers must be filed with the Registrar of Companies but is not available for public inspection. Every exempted company must keep a Register of Members and the original or a copy should be kept at the registered office. Annual returns must be lodged, but they do not disclose details of the directors or members.

In April 2001, the Cayman Islands issued new due diligence guidelines requiring disclosure of information on all officers, members, beneficial owners, and authorised signatories of Cayman Islands companies to service providers. This information is required by law for all new companies. Such information is confidential under the Confidential Relationship (Preservation) Law, which makes it a criminal offence to divulge confidential information or to wilfully obtain or attempt to obtain confidential information relating to a Cayman Islands company.

## Local Infrastructure

The Cayman Islands is the leading financial centre in the Caribbean, with over 584 licensed banks and trust companies. All the main international accounting firms are present, and there are numerous high-quality law firms. Communications and transport links are excellent, including regular flights from Miami which is only one hour away.

## Our Services

Vistra continuously holds a substantial stock of companies with a wide selection of names, which are available for immediate purchase. We can also arrange to incorporate a company with your choice of name and confirm the availability of names in advance.

All companies are provided with a complete company kit, including share certificates, three copies of the Memorandum and Articles of Association, statutory registers, a common seal, a company chop, and a Certificate of Guarantee of Quality. In addition, we can assist you in obtaining Certificates of Good Standing and other certificates of corporate existence as well as relevant post-incorporation services.