

Cayman Islands funds – CIMA deregistration process timeline reminder

UPDATE

Our latest update provides a reminder of the applicable deadlines for Cayman Islands regulated funds wishing to deregister with the Cayman Islands Monetary Authority and, in particular, the timeline to avoid incurring annual registration fees post-deregistration.

A Cayman Islands regulated mutual fund or registered private fund intending to cease to carry on business and deregister with the Cayman Islands Monetary Authority (**CIMA**), needs to notify CIMA within 21 days of ceasing, or formally intending to cease, to carry on business as a fund¹. The deregistering fund must then complete and file its final audit before deregistration documents can be filed.

In general, a fund is considered to cease carrying on business on the date stated within the relevant resolution or decision of the fund's operators or upon the appointment of a liquidator. A fund will be liable for registration fees until it is deregistered by CIMA. Failure to notify CIMA within the 21 day period may result in an administrative fine.

If a fund wants to avoid incurring the annual registration fees for 2024 after deregistration with CIMA, it should therefore start planning early. This includes making arrangements for the fund's final audit to be ready and filed with CIMA by 31 December 2023 (if not earlier) such that it can file the deregistration documents by 31 December 2023 and avoid incurring unnecessary registration fees for the subsequent year (2024).

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¹ According to the latest Rule on the Cancellation of Licences or Certificates of Registration for Regulated Mutual Funds and Registered Private Funds issued by CIMA in August 2022, which can be found [here](#).

This update is only intended to give a summary and general overview of the subject matter. It is not intended to be comprehensive and does not constitute, and should not be taken to be, legal advice. If you would like legal advice or further information on any issue raised by this update, please get in touch with one of your usual contacts. You can find out more about us, and access our legal and regulatory notices at mourant.com. © 2023 MOURANT OZANNES ALL RIGHTS RESERVED