



CAYMAN ISLANDS MONETARY AUTHORITY

FOR IMMEDIATE RELEASE

CIMA and US SEC Reach New Cooperation Agreement

(Grand Cayman – Monday, 26 March 2012) The Cayman Islands Monetary Authority (CIMA) and the United States Securities and Exchange Commission (SEC) have entered into a memorandum of understanding (MOU). The agreement concerns consultation, cooperation and information exchange related to the supervision and oversight of regulated entities that operate on a cross-border basis in the USA and the Cayman Islands.

CIMA's Managing Director, Mrs. Cindy Scotland, and the SEC's Chairman, Ms. Mary Schapiro, signed the agreement, which became effective on 9 March.

The MOU supplements the International Organisation of Securities Commissions (IOSCO) multilateral MOU on cooperation in securities regulation, to which both the SEC and CIMA are signatories and which focuses more on cooperation on enforcement matters between the parties.

The Cayman Islands Premier and Minister responsible for Finance, the Hon. McKeeva Bush, OBE, JP, congratulated CIMA on the agreement. He commented:

"Through this MOU, CIMA has demonstrated its commitment to continuing to work with the SEC to fulfill their respective regulatory mandates. It shows, too, the commitment of the Cayman Islands to providing the highest quality domicile for financial services. The signing of this MOU adds to the growing list of international regulatory and supervisory bodies with which the Cayman Islands has entered agreements and is a key endorsement of our financial services regime. We are convinced that this is not only good for ensuring stability and integrity of the global financial system, but is good for business for this jurisdiction."

Mrs. Scotland explained that the process of negotiating the latest agreement was enhanced by the solid ties that the two authorities have established over time:

"CIMA and the SEC have had a strong working relationship for many years. This has enabled us to collaborate on several levels. For example, we have been able to obtain information from, and provide information to, the SEC that has been valuable in both regulators' routine supervisory activities as well as, on occasion, in criminal investigations that have resulted in convictions. We have conducted joint on-site inspections of Cayman-regulated funds and securities entities, and have worked together to provide training for Cayman and regional regulators."

The CIMA-SEC MOU is the 23rd cooperation and information exchange agreement that CIMA has effected with overseas regulatory authorities since 1998.

CIMA's Chairman, Mr. George McCarthy, OBE, JP, said: "the Monetary Authority is committed to collaboration and cooperation with financial services authorities in all the jurisdictions with which Cayman-regulated entities do business. In addition to the agreements that CIMA already has in place, we actively seek to formalise

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cooperation with other regulators. This MOU with the SEC is particularly important as Cayman is a major domicile for hedge funds and securities in which US institutions and persons of high net worth invest. It will enable more effective supervision on both sides.”

The MOU details the scope of consultation, cooperation and information exchange between CIMA and the SEC; the procedures for carrying out on-site inspections and for the execution of requests for assistance; the permissible uses of information provided; the confidentiality of information, and the process for onward sharing of information in certain circumstances.

The agreement can be viewed on CIMA’s website in the External Cooperation/International /Agreements section. Click here to download: [US Securities and Exchange Commission - Memorandum of Understanding](#).

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