



# Cayman Monetary Regulatory Authority International

At the forefront of financial regulation, the Cayman Monetary Regulatory Authority International (CMRAI) is dedicated to upholding the highest standards of financial oversight and compliance. Our mission is to safeguard the stability and integrity of the global financial system by ensuring that financial services operate within a framework of transparency, accountability, and excellence.

As a trusted partner to financial institutions worldwide, CMRAI provides rigorous supervision, innovative solutions, and strategic guidance to foster a secure and thriving financial environment. With decades of experience and a commitment to global standards, we stand as a pillar of trust and security in an ever-evolving financial landscape.

With a legacy of excellence in financial oversight, the Cayman Monetary Regulatory Authority International (CMRAI) is a beacon of trust in the international financial community. Our role extends beyond regulation; we are innovators, collaborators, and protectors of the global financial ecosystem. By fostering compliance, promoting best practices, and embracing technological advancements, CMRAI ensures that financial services remain resilient and adaptable in a dynamic global market.

Our comprehensive approach to regulation encompasses a deep understanding of financial risks and a proactive stance on emerging challenges. We are committed to empowering financial institutions with the tools and guidance necessary to navigate complex regulatory landscapes, thereby contributing to global economic stability and growth.

## 1 SUMMARY OF FEEDBACK

STATEMENT Rules and Statement of Guidance Nature, Accessibility and Retention of Records for Licensees Conducting the Business of Company Management No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure

GENERAL COMMENTS

1. Amend references to laws, to acts. References to regulatory laws may remain and do not need to be updated to regulatory acts. The Authority has noted the comment and measure updated to reflect recommended updates. Acts of Parliament have been referenced as Acts vs. Laws. References to regulatory laws have been maintained as applicable.

2. There is ambiguity as to the scope of the proposed Rules and Statement of Guidance (the Proposed RSoG) i.e. to whom the criteria would apply. The title of the Proposed RSoG refers to licensees "providing Business of Company Management and Trust Business" (emphasis added). "Trust business" has a clear definition set out in section 2 of the Banks and Trust Companies Act (Revised) (BTCA) as follows: "the business of acting as trustee, executor or administrator". Similarly, "business of company management" is defined section 3 of the Companies Management Act (Revised) (CMA) and includes all of the activities listed in that section. While the CMA provides that it shall not be an offence for the holder of a trust licence under the BTCA to conduct the business of company management, that there is no suggestion in either the BTCA nor the CMA that the concept of trust business as defined in the CMA somehow includes the business of companies management; indeed were the "default" position to be that trust business does include the business of companies management, there would be no need for section 5(5) of the CMA. The Authority has noted the comment and clarified the Scope of Application of the Rules and Statement of Guidance, including consequent changes to relevant content throughout the measure. See the corresponding changes below.

2 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure

The position of the legislation is therefore that trust business does not include the business of company management; it is merely the case that the legislature has made a concession whereby the holder of a trust licence under the BTCA need not obtain a separate licence to conduct the business of company management. What is not clear from the consultation is the extent to which it is intended to extend to a licensed trust company which does not conduct the business of company management (the Key Ambiguity). The title of the Proposed RSoG refers to trust business, with no limitation and there are a number of references to TSPs, defined in the Proposed RSoG in such a way as to include trust companies who do not conduct the business of company management. By contrast, Section 3.1 of the Proposed RSoG states that it refers only to persons carrying out the business of company management under section 3(1)(a) to (l) of the CMA. This Key Ambiguity recurs throughout the Proposed RSoG and we highlight it below in relevant incidences. The purpose of this preamble was to highlight the issue and to ensure that references in our feedback to the Key Ambiguity are clear without the need to cover the same ground in each instance. We hope that this approach will be of assistance to the Authority in considering this consultation feedback. We would note that if, by contrast, the intent of the Proposed RSoG is that it cover all operations which might constitute trust business, plus the business of company management, this will likely require a substantial rewrite of the Proposed RSoG which is beyond the scope of this feedback. For example, Para 3.1 of the Proposed RSoG run directly counter to that position..

3. As a general comment, it would be more desirable for CMRAI to say that it wants each Licensee to have a comprehensive Records

Management Program and then state what elements (policies, procedures, systems etc.) that Program must or should contain. It is submitted that the way in which this subject is currently The Authority has noted the comment and made necessary change to reflect that relevant licensees establish and maintain a Section 5.8 revised to read as follows: ... should establish and maintain a records management programme ...

3 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure being dealt with makes it difficult to understand the elements of what should be a logical Records Management Program. records management programme . The records management programme should comprise of ... . Section 7 title revised to read as follows: Elements of Records Management Programme SECTION-SPECIFIC COMMENTS 4. Title Rules and Statement of Guidance on Nature, Accessibility, and Retention of Records for Trust Service Providers and Corporate Service Providers The suggested title provides uncertainty in line with the Key Ambiguity. Suggest revising the title to read: Nature, Accessibility and Retention of Records for Licensees Conducting the Business of Company Management. This more accurately reflects our understanding of the scope of the Proposed RSoG. In line with the recommendation provided, the Authority has noted the comment and made necessary change to the title of the regulatory measure for greater clarity of scope of application. The title of the regulatory measure and related content changed to Rules and Statement of Guidance Nature, Accessibility and Retention of Records for Licensees Conducting the Business of Company Management 5. 1.1 This document establishes the Cayman Islands Monetary Authority's (the Authority or CMRAI ) Rules and Statement of Guidance (Rules and Guidance) on Nature, Accessibility, and Retention of Records for Trust Service Providers and Corporate Service Providers. The Rules and Statement of Guidance should be read in Should the list in sections 1.1 a) n) include the following acts and regulations: 1. Limited Liability Companies Act (2021 Revision); 2. Limited Liability Partnership Act (2021 Revision); 3. Partnership Act (2013 Revision); 4. Private Trust Companies Regulations (2020 Revision); 5. Proceeds of Crime Act (2020 Revision); and The Authority has noted the comments and made amendments to the section for clarity purposes. The measure has been updated to read as follows: 1.1. This document establishes the Cayman Monetary Regulatory Authority International's (the Authority or CMRAI ) Rule and Statement of Guidance on Nature, Accessibility, and Retention of Records for Licensees Conducting the Business of Company Management ( Rule and Guidance ). 1.2. The Rule and Guidance should be read in conjunction with the relevant Acts and regulatory 4 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure conjunction with the following: a. Monetary Authority Act ( MAA ); b. Banks and Trust Companies Act ( BTCA ); c. Companies Act ( CA ); d. Companies Management Act ( CMA ); e. Insurance Act ( IA ); f. Mutual Funds Act ( MFA ); g. Statement of Guidance Licensing Company Managers/Corporate Service Providers; h. Statement of Guidance Business Continuity Management i. Statement of Guidance Internal controls for Trust Companies, Company Managers and Corporate Service Providers j. Statement of Guidance on Outsourcing; 6. Anti-Money Laundering Regulations (2020 Revision) ( AMLRs )? Please note that the aforementioned acts and regulations are referred to in section 5.4 of the Rules and Guidance. Should the Exempted Limited Partnership Act (2021 Revision) ( ELP Act ) be included in sections 1.1 a) n) because section 6(3) of the ELP Act requires the use of a CMRAI licensee? 1.1 h) & 1.1 i) Consider inserting a semicolon

at the end of these sections. instruments issued by the Authority from time to time.

5 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure k. Rule on Cybersecurity for Regulated Entities; l. Statement of Guidance on Cybersecurity for Regulated Entities; m. Guidance Notes on the Prevention and Detection of Money Laundering, Terrorist Financing, and Proliferation Financing in the Cayman Islands; and any other relevant acts and regulatory instruments issued by the Authority from time to time.

6. Guidance 2.1 The Rules and Guidance are intended to establish minimum requirements for licensees engaged in the business of company management, under the Companies Management Act (CMA), Banks and Trust Companies Act (BTCA), Mutual Funds Act (MFA), and Insurance Act (IA), and trust business, under the BTCA, to maintain their records in a manner that promotes accessibility, This paragraph appears to suggest that the Proposed RSoG will establish minimum requirements for licensees engaged in the business of company management (this is consistent with the scope reflected in Para 3.1 and the Consultation Cover Note), but then goes on expressly to refer to trust business. This is an example of the Key Ambiguity. Either the scope of the Proposed RSoG is as set out at Para 3.1 (such that it extends only to the business of company management), or it also covers trust business, in which case Para 3.1 is incorrect. The Authority has noted the comment and made changes to the regulatory measure for greater clarity of scope of application. Sections 2.1 and 3.1 revised to read as follows: Statement of Objectives (2.1) The Rule and Guidance is intended to establish minimum requirements and provide guidance to relevant licensees on the maintenance of records in a manner which promotes accessibility, retention and appropriate security. Scope of Application (3.1) This Rule and Guidance applies to all licensees, under the CMA, BTCA, MFA, and IA conducting the business of company management

6 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure retention and appropriate security. This Key Ambiguity must be resolved so as to be provide clarify to licensees and their advisors. Given that we anticipate that the scope of the Proposed RSoG should extend only to the business of company management and not to the trust business (such that a trust licensee who does not conduct the business of company management would not fall within the Proposed RSoG), we would suggest the following alternative drafting: The Rules and Guidance are intended to establish minimum requirements for licensees engaged in the business of company managements under the CMA, BTCA, MFA and IA, to maintain their records in a manner that promotes accessibility, retention and appropriate security. Note that we have not included the full title of the various acts as these are defined in Para 1.1. pursuant to Section 3(1)(a) (l) of the CMA, as follows ...

7. Guidance 2.1 The Rules and Guidance are intended to establish minimum requirements for licensees engaged in the business of company management, under the The wording The Rules and Guidance are intended to establish minimum requirements for is inconsistent with section 2.3 which provides that the Rules establish minimum requirements whereas The Authority has noted the comment and made changes to the sections for greater clarity. Section 2.1 revised to read as follows: The Rule and Guidance is intended to establish minimum requirements and provide guidance to relevant licensees on the maintenance of records in a

7 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure Companies Management Act (CMA), Banks and Trust Companies Act (BTCA), Mutual Funds Act

(MFA), and Insurance Act (IA), and trust business, under the BTCA, to maintain their records in a manner that promotes accessibility, retention and appropriate security. the Guidance sets out the Authority's minimum expectations. manner that promotes accessibility, retention, and appropriate security. 8. Guidance 2.3 The Rules herein establish the minimum requirements whereas the Guidance, not intended to be prescriptive or exhaustive, sets out the Authority's minimum expectations of a licensee's record keeping arrangements. Saying the Guidance is not intended to be prescriptive is a misnomer as CMRAI inspections will result in action points where Guidance has not been followed to the letter. The Authority has noted the comment and would like to remind the private sector that guidance is intended to assist licensees to comply with relevant laws, regulations, rules and statements of principles, or to describe standards for conduct of business. Guidance contains recommendations on how licensees should operate and represent a measure against which the Authority will assess compliance by licensees. No updates required. 9. Guidance 3.1 The Rules and Guidance applies to all persons conducting the business of company management pursuant to Section 3(1)(a) (l) of the CMA, as follows:

- a) Acting as a company formation agent; We note that this Para refers to Section 3(1)(a) (l) of the CMA but that in the list provided, does not include Section 3(1)(ba) of the CMA. As this is a core service for corporate service providers, we would suggest that this should be The Authority has made the necessary change to include Section 3(1)(ba) of the CMA. Section 3.1 revised with insertion of Section 3(1)(ba) of the CMA to read as follows: The Rules and Guidance applies to all licensees, under the CMA, BTCA, MFA, and IA conducting the business of 8 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure
- b) Providing a registered office or business address for a company;
- c) Providing an accommodation, correspondence or administrative address for a company or for any other person;
- d) Filing statutory forms, resolutions, returns and notices;
- e) Acting or fulfilling the function of or arranging for another person to act as or fulfil the function of a person authorised to accept service of process on behalf of a foreign company carrying on business in the Islands or to accept any notices required to be served on it;
- f) acting as or fulfilling the function of or arranging for another person to act as or fulfil the function of an officer of a company;
- g) acting as a nominee shareholder for a company;
- h) acting as or fulfilling the function of or arranging for another person to act as or fulfil the function of director or alternate director of a company; included within the list in this paragraph. company management pursuant to Section 3(1)(a) (l) of the CMA, as follows: Establishing and maintaining beneficial ownership registers on behalf of companies and limited liability companies incorporated or formed in the Islands, offering an information technology solution to those companies and limited liability companies to make extracts of information on the beneficial ownership register searchable by the competent authority established under Part XVIIIA of the Companies Act (2021 Revision) and responding to requests from the competent authority about whether a company or a limited liability company or a subsidiary of the same is exempted from the application of that Part or of Part 12 of the Limited Liability Companies Act (2021 Revision). 9 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure
- i) acting as or arranging for another person to act as secretary, alternate, assistant or deputy secretary of a company;
- j) acting as or fulfilling the function of or arranging for another person to

act as or fulfil the function of an authorised custodian for the purposes of the Companies Law (as amended); k) providing other corporate services involving the control of the whole or a substantial part of the assets of a company; and l) providing any additional corporate services as may be specified in regulations.

10. Guidance 3.1 The Rules and Guidance applies to all persons conducting the business of company management pursuant to Section 3(1)(a) (l) of the CMA, as follows: a) Acting as a company formation agent; b) Providing a registered office or business address for a company; c) Providing an accommodation, correspondence or administrative address for a company; d) Providing an information technology solution to those companies and limited liability companies incorporated or formed in the Islands, offering an information technology solution to those companies and limited liability companies to make extracts of information on the beneficial ownership register searchable by the competent authority established under Part XVIIIA of the Companies Act (2021 Revision) and responding to requests from the competent authority about whether a company or a limited liability company or a subsidiary of the same is exempted from the application of that Part or of Part 12 of the Limited Liability Companies Act (2021 Revision). ... e) Acting as or fulfilling the function of or arranging for another person to act as or fulfil the function of ...

Considering inserting section 3(1)(ba) of the Companies Management Act (2021 Revision) (CMA) after section 3.1 b). Section 2.1 of the Rules and Guidance provides that the Rules and Guidance are intended to establish minimum requirements for licensees engaged in the business of company management... and trust business [...]. Therefore, should the Scope of Application provide for trust business? The Authority has acknowledged the comment and made changes to the regulatory measure for greater clarity on the scope of application. Additionally, necessary changes were made to include Section 3(1)(ba) of the CMA and correct grammatical error as recommended. Section 3.1 has been updated to read as follows: This Rule and Guidance applies to all licensees under the CMA, BTCA, MFA, and IA conducting the business of company management pursuant to Section 3(1)(a) (l) of the CMA, as follows: ... ba) Establishing and maintaining beneficial ownership registers on behalf of companies and limited liability companies incorporated or formed in the Islands, offering an information technology solution to those companies and limited liability companies to make extracts of information on the beneficial ownership register searchable by the competent authority established under Part XVIIIA of the Companies Act (2021 Revision) and responding to requests from the competent authority about whether a company or a limited liability company or a subsidiary of the same is exempted from the application of that Part or of Part 12 of the Limited Liability Companies Act (2021 Revision). ... e) Acting as or fulfilling the function of or arranging for another person to act as or fulfil the function of ...

11 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure fulfil the function of an authorised custodian for the purposes of the Companies Law (as amended); k) providing other corporate services involving the control of the whole or a substantial part of the assets of a company; and l) providing any additional corporate services as may be specified in regulations.

11. Guidance 3.2 The

Authority acknowledges that TSPs and CSPs that are part of a group may be subject to group-wide record keeping practices. However, the Authority considers it important for each entity in a group structure that is a separate legal entity to adopt record keeping practices that meet the objectives of this Rules and Guidance and that are appropriate for the particular operations of that legal entity. This paragraph reflects the key uncertainties raised by the Key Ambiguity. It expressly refers to Trust Service Providers engaged in trust business which, as noted above, does not include the business of company management. We would suggest that these critical uncertainties can be address by refining certain of the defined terms in the Proposed RSoG as follows. We have set out the proposed revised definitions here (rather than in response to Para 4.1) in order to increase the coherence of our comments Proposed definitions "CSP" means any licensee (other than a Relevant TSP) who is engaged in the business of company management. The Authority has noted the comment and made changes to the regulatory measure for greater clarity of scope of application. Section 3.2 revised to read as follows: The Authority acknowledges that licensees conducting the business of company management that are part of a group may be subject to group-wide record keeping practices. Definitions of Corporate Service Provider (CSP) and Trust Service Provider (TSP) removed. 12 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure "Relevant TSP" means a TSP who is engaged in the business of company management. "TSP" means a person engaged in trust business and holding: a) a Trust Licence under the BTCA; b) a Restricted Trust Licence under the BTCA; or c) a Nominee Trust Licence under the BTCA. Proposed drafting of 3.2 The Authority acknowledges that Relevant TSPs and CSPs that are part of a group may... 12. Rule 3.3 The TSPs and CSPs must assess whether record keeping practices can be achieved by adopting the group-wide standard. Additionally, when records are kept by another member of the group, they must be accessible to the Authority. It is unclear what TCSPs are supposed to be assessing. In order to address this ambiguity, along with the Key Ambiguity, we suggest amending to: Relevant TSPs and CSPs must assess whether group-wide record keeping practices will satisfy the requirements of these Rules. Where group-wide record keeping practices do not satisfy the requirements of these Rules, Relevant TSPs and CSPs must adopt practices in keeping with these Rules. Additionally, when records... The Authority has noted the comment and made changes to the regulatory measure for greater clarity of scope of application. Section 3.3 revised to read as follows: Licensees conducting the business of company management must assess whether record keeping practices at the group-wide level meet the objective of this Rules and Guidance. If not, these licensees must adopt record keeping practices which align with this Rule and Guidance. Additionally, when records are kept by another member of the group, they must be accessible to the Authority. 13 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure 13. Guidance 3.4 The Rules and Guidance do not codify or amend any existing law. Where the Rules and Guidance are incompatible with existing law, the law takes precedence and prevails. Consider inserting an and before existing in the following: incompatible with existing law [...]. The Authority has noted the comment and defined the measure as Rules and Guidance with associated verbiage formulated in the singular. Section 3.4 revised to read as follows: This Rule and Guidance does not codify or amend any existing law. Where this Rules and Guidance is

incompatible with existing law, the law takes precedence and prevails . 14. Guidance 4.1 The following definitions are provided for the purpose of this Rules and Guidance: a) Business of company management has the same meaning as that prescribed in the Companies Management Act. b) Corporate Service Provider ( CSP ) means a person that holds a licence under the Company Management Act, or a person exempted under the Company Management Act as a: a) trust company which is the holder of a Trust licence to carry on trust business granted under the BTCA; b) trust company which is the holder of a Restricted Trust licence granted under the BTCA in respect of the clients See comments above regarding proposed definitional changes with a view to addressing the Key Ambiguity. It is difficult to overstate how critical it will be for licensees to address this Key Ambiguity and so settle the scope of the Proposed RSoG. The Authority has noted the comment and made changes to the regulatory measure for greater clarity of scope of application. Definitions of Corporate Service Provider ( CSP ) and Trust Service Provider ( TSP ) removed. 14 No. Section Comments Authority s Response Consequent Amendments to the Proposed Measure and services specified in the restrictions; c) trust company which is the holder of a Nominee (Trust) licence granted under the BTCA in respect of the nominee function only; d) holder of an Insurance Managers licence issued under the Insurance Act when engaged in the business of company management in respect of his clients who are insurance companies licensed under that Act; c) Electronic record has the same meaning as defined in the Electronic Transactions Act (as amended). d) Original include records originating electronically or electronic copies of paper-based records. e) Record has the same meaning as document as defined in the MAA and includes paper-based records. f) Trust Service Provider ( TSP ) means a person carrying on trust business under the BTCA. 15 No. Section Comments Authority s Response Consequent Amendments to the Proposed Measure 15. Guidance 4.1 The following definitions are provided for the purpose of these Rules and Guidance: a) Business of company management has the same meaning as that prescribed in the Companies Management Act. b) Corporate Service Provider ( CSP ) means a person that holds a licence under the Company Management Act, or a person exempted under the Company Management Act as a: a) trust company which is the holder of a Trust licence to carry on trust business granted under the BTCA; b) trust company which is the holder of a Restricted Trust licence granted under the BTCA in respect of the clients and services specified in the restrictions; c) trust company which is the holder of a Nominee (Trust) licence granted under the BTCA in respect of the nominee function only; Should the list of definitions include a definition for trust business ? Please note that the Rules and Guidance: Minimum Criteria for Physical Presence contains a definition for trust business. Should the list of definitions include a definition for licensee . Once defined, review its use throughout the document as it appears to have a different meaning in different instances. 4.1 b) d) Consider removing that Act and inserting the IA . 4.1 b) d) Consider renumbering the second 4.1b)d) to 4.1b)e).. 4.1 b) d) Consider removing that Act and inserting the MFA .. 4.1 d) Consider adding an s to the end of include . 4.1 e) Should the definition of Record refer to the Electronic Transactions Act (2003 Revision) ( ETA ) or the AMLRs? Please note that the definition for Electronic record in section 4.1 c) refers to the ETA. The Authority has noted the comments and made changes to the regulatory measure for greater clarity on the scope of application,



including removing the definition of CSP and TSP. Section 4.1 revised accordingly to remove definitions of Corporate Service Provider (CSP) and Trust Service Provider (TSP). Additionally, the following changes have been made to the definitions: b) Record for the purposes of this document may include, as applicable: i. Electronic record as defined in the Electronic Transactions Act (as amended); and/or ii. Document as defined in the MAA, which includes paper-based records. c) Reference to Original has been removed. 16 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure d) holder of an Insurance Managers licence issued under the Insurance Act when engaged in the business of company management in respect of his clients who are insurance companies licensed under that Act; c) Electronic record has the same meaning as defined in the Electronic Transactions Act (as amended). d) Original include records originating electronically or electronic copies of paper-based records. e) Record has the same meaning as document as defined in the MAA and includes paper-based records. f) Trust Service Provider (TSP) means a person carrying on trust business under the BTCA.

16. Rule 5.2 Personal data must be processed in accordance with the data protection principles as set out in the Data Protection Act. The main objective is to protect customers against theft, accidental loss, Comment #1 The start of the second sentence again raises the Key Ambiguity. Para 3.1, in setting the scope of the Proposed RSoG, provides that it applies to "persons conducting the business of company management". This Rule, however, appears to be addressed to TSPs Response #1 The Authority has noted the comment and made changes to the regulatory measure for greater clarity of scope of application. Response #2 The Authority has revised the sections as detailed below: Section 1.2: Where applicable, Acts of Parliament referred to in this document include related regulations as may be amended from time to time. 17 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure unauthorised access, and accidental destruction of data. TSPs, CSPs, and persons conducting the business of company management should therefore have appropriate personal data security measures, record retention policies, personal data breach response plan, and systems for data subjects to be able to exercise their rights. (regardless of whether they are conducting the business of company management), CSPs and persons conducting the business of company management. These anomalies will be highly confusing for industry. We would suggest that, in light of the scope of the Proposed RSoG (as indicated in Para 3.1), the second sentence of this Rule should open "Persons conducting the business of companies management should therefore... No separate reference to TSPs or CSPs is required. An alternative could be: Relevant TSPs and CSPs should therefore... There is also a typo in the penultimate line, which should refer to either: "a personal data breach response plan" or "personal data breach response plans. Comment #2 The clause deals with data protection under the Data Protection Act. The last sentence requires the licensee to have: The Authority has noted the comment but is satisfied that privacy considerations are captured in the General section of the Rules and Guidance. The General section of the Rules and Guidance is intended to capture overarching and complementary considerations important to effective record keeping, including alignment with relevant regulatory framework components. , Response #3 The Authority has noted the comment and made changes to the regulatory measure for greater clarity, as applicable. Section

5.2: Personal data must be processed in accordance with the data protection principles as set out in the Data Protection Act. The main objective of this Rule is to protect personal data against theft, accidental loss, unauthorised access, and accidental destruction of data. Licensees conducting the business of company management should therefore have appropriate personal data security measures, record retention policies, personal data breach response plans, and processes for data subjects to be able to exercise their rights.

18 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure (1) personal data security measures; (2) systems for data subjects to be able to exercise their rights; (3) a personal data breach response plan; and (4) record retention policies. We suggest that it would be more logical to require that a Licensee have a Records Management Program with "data protection" being one of the elements of such Program. The "data protection" element of the Records Management Program would then include a requirement to comply with the requirements of the Data Protection Act in accordance with the matters referred to above.

Comment #3 Add Data Protection Act and Regulations as may be amended Replace customers with Data Subjects (or individuals) Add s to plan. Replace systems with processes.

17. Rule 5.2 Personal data must be processed in accordance with the data protection principles as set out in the Data Protection Act. The main objective is to protect Consider whether this rule is appropriate. There are requirements under the Data Protection Act to which the licensees are subject. Consider whether it would be more appropriate to have as guidance The Authority has noted the comment but is agreeable with the substantive wording of this paragraph, and notes that the existence of requirements in other laws/regulations does not preclude rationale of including as Section 5.2 revised to read as follows: Personal data must be processed in accordance with the data protection principles as set out in the Data Protection Act. The main objective of this Rule is to protect personal data against theft, 19 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure customers against theft, accidental loss, unauthorised access, and accidental destruction of data. TSPs, CSPs, and persons conducting the business of company management should therefore have appropriate personal data security measures, record retention policies, personal data breach response plan, and systems for data subjects to be able to exercise their rights. that licensee should be aware of the principles of DPA. Should this section be amended to Schedule 1 of the Data Protection Act? This section has taken some of the points from "personal data breach" in section 2 of the Data Protection Act. Therefore, should this section also include loss, alteration, unauthorized disclosure of or, access to personal data? a Rule in the measure. Notwithstanding changes have been made in order to clarify the scope of application. accidental loss, unauthorised access, and accidental destruction of data. Licensees conducting the business of company management should therefore have appropriate personal data security measures, record retention policies, personal data breach response plans, and processes for data subjects to be able to exercise their rights.

18. Rule 5.3 Accessible records are records that can be provided by the TSP, CSP, and persons conducting the business of company management to the Authority within a reasonably short timeframe. The Authority expects that most records must be provided immediately by the Authority, or within the timeframe as determined from time to time by the Authority, whether stored within the Cayman Islands or in another

jurisdiction. Consider replacing by in the following phrase with to: immediately by the Authority. The Authority has noted the comment and updated accordingly. Rule 5.3 revised to read as follows: Records must be accessible and provided by licensees conducting the business of company management to the Authority within a reasonably short timeframe. The Authority expects that most records must be provided immediately without delay, to the Authority, or within the timeframe determined from time to time by the Authority, whether stored within the Cayman Islands or in another jurisdiction, as applicable. 20 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure 19. Rule 5.3 Accessible records are records that can be provided by the TSP, CSP, and persons conducting the business of company management to the Authority within a reasonably short timeframe. The Authority expects that most records must be provided immediately by the Authority, or within the timeframe as determined from time to time by the Authority, whether stored within the Cayman Islands or in another jurisdiction. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Rule. The Rule should refer either to: ...records that can be provided by persons conducting the business of companies management to the Authority... or ...records that can be provided by Relevant TSPs and CSPs to the Authority... No separate reference to TSPs or CSPs is required or desirable. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. It is also unclear what a "reasonably short timeframe" means. Suggest amending to "a timeframe that is objectively reasonable in all the circumstances". However, this qualification of reasonableness in the first sentence of the Rule is then immediately contradicted by the second sentence, which states that most records must be provided Response #1 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. In relation to comment on accessibility, the Authority has clearly stated its expectation regarding the timeline in which most records will need to be provided: The Authority expects that most records must be provided immediately to the Authority, or within the timeframe determined from time to time by the Authority ... The preceding sentence is intended to provide a general meaning of accessibility of records (rather than being prescriptive), which is premised on the Authority being provided with relevant records within a reasonably short timeframe. Response #2 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Response #3 Rule 5.3 revised to read as follows: Records must be accessible and provided by licensees conducting the business of company management to the Authority within a reasonably short timeframe. The Authority expects that most records must be provided immediately without delay, to the Authority, or within the timeframe determined from time to time by the Authority, whether stored within the Cayman Islands or in another jurisdiction, as applicable. 21 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure either immediately, or within whatever timeframe the Authority decides in its sole discretion. Suggest deletion of the second sentence. Comment #2 In line 2, the words "and persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act.

In line 4, the word "by" should be replaced with the word "to". Line 6-the word "or" should be followed by ", with respect to client records" The reason for this insertion is that service providers are expected to have a Physical Presence in the Islands where service provider records are kept; client records, in certain situations, may be kept outside the Islands. Comment #3 Delete as does not add anything... The Authority has noted the comments. This rule is intended to provide a general meaning of accessibility of records, and also communicate the expectation regarding the timeline in which most records will need to be provided to the Authority. 22 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure Accessible records are records that can be provided by the TSP, CSP, and persons conducting the business of company management to the Authority within a reasonably short timeframe. Remove most and replace by the Authority with to the Authority. 20. Rule 5.4 A TSP, CSP, and persons conducting the business of company management must keep, maintain, and treat records as required by applicable Acts such as the Companies Act, the Limited Liability Companies Act (LLCA), the Limited Liability Partnership Act (LLPA), the Partnership Act, the CMA, the BTCA, the Proceeds of Crime Act (POCA), the Private Trust Companies Regulations (PTCR), and any other relevant legislation. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Rule. The Rule should refer either to: A person conducting the business of companies management must keep, maintain... or Relevant TSPs and CSPs must keep, maintain... No separate reference to TSPs or CSPs is required or desirable. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. The reference to "treat" records is unclear. Comment #2 Responses #1 and #2 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Response #3 The Authority has noted the comment, however current wording deemed suitable in conveying that the list of legislation stated is non-exhaustive. Rule 5.4 revised to read as follows: Licensees conducting the business of company management must keep, maintain, and administer records as required by relevant laws such as the CA, LLCA, LLPA, PA, CMA, BTCA, POCA, PTCR, and any other relevant legislation. 23 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure In line 1, the words "and persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. Comment #3 Replace such as with including but not limited to 21. Rule 5.4 A TSP, CSP, and persons conducting the business of company management must keep, maintain, and treat records as required by applicable Acts such as the Companies Act, the Limited Liability Companies Act (LLCA), the Limited Liability Partnership Act (LLPA), the Partnership Act, the CMA, the BTCA, the Proceeds of Crime Act (POCA), the Private Trust Companies Regulations (PTCR), and any other relevant legislation. Please note that the Trust Act (2021 Revision) (Trust Act) has an obligation to keep records. Therefore, should the Trust Act be included in the list of Acts in this section. Does the CMA and the BTCA contain requirements to keep or maintain records? The Authority has noted the comment, however the list of legislation within this section of the regulatory measure is not intended to be exhaustive. Notwithstanding changes have been made in order to

clarify the scope of application. Additionally, the Authority notes that the CMA and BTCA does contain record keeping requirements. Section 5.4 revised to read as follows: Licensees conducting the business of company management must keep, maintain, and administer records as required by relevant laws such as the CA, LLCA, LLPA, PA, CMA, BTCA, POCA, PTCR, and any other relevant legislation.

22. Rule 5.5 A TSP, CSP and persons conducting the business of company management must keep records of books Should regulatory be amended to regulatory laws ? The Authority has noted the comment but is agreeable with the current substantive wording of this paragraph of the measure. Notwithstanding, update made to Section 5.5 revised to read as follows: Licensees conducting the business of company management must keep records of books of accounts and other financial 24 No. Section Comments Authority s Response Consequent Amendments to the Proposed Measure of accounts and other financial affairs as well as other records. Some examples include: k) any other records as required by relevant regulatory or other laws for the period specified by the regulatory or other laws. sentence structure to clarify regulatory laws . Additionally, updates have been made in order to clarify the scope of application. affairs, as well as other records related to its company management business. Examples of such records include: ... b) organisational records such as insurance coverage records and cybersecurity framework records; ... k) any other records as required by relevant Acts and/or regulations.

23. Rule 5.5 A TSP, CSP and persons conducting the business of company management must keep records of books of accounts and other financial affairs as well as other records. Some examples include: a) corporate accounting records; b) organisational records such as insurance coverage records and cybersecurity framework; c) employee and other administrative records; d) risk management policies; e) corporate records such as incorporation Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Rule. The Rule should refer either to: A person conducting the business of companies management must keep records... or Relevant TSPs and CSPs must keep records... No separate reference to TSPs or CSPs is required or desirable. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. Response #1 and #2 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Rule 5.5 revised to read as follows: Licensees conducting the business of company management must keep records of books of accounts and other financial affairs, as well as other records related to its company management business. Examples of such records include: ... c) organisational records such as insurance coverage records and cybersecurity framework records; ... h) due diligence records on its clients .... 25 No. Section Comments Authority s Response Consequent Amendments to the Proposed Measure documents, shareholders and directors meeting minutes and board resolutions, and beneficial ownership information; f) client records such as client communication and complaints records; g) service provider records such as copies of contracts and agreements; h) customer due diligence records; i) trust deeds; j) annual returns due to the Authority; and k) any other records as required by relevant regulatory or other laws for the period specified by the regulatory or other laws. It should also be made clear that the records specified in these Rule are the records that relate to the Relevant TSP or CSP itself and not to its clients. This is in accordance with relevant statutory requirements and the GIFCS Standard. Comment #2 In line 1, the words "and

persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. We suggest that the preamble in lines 1 to 3 should read as follows: "5.5 A TSP and CSP must keep records and books of account relevant to the services provided; some examples include:" Subclause b) - in lines 1 and 2, the words "and cybersecurity framework;" should be deleted as they do not appropriate in this subclause. k) any other records as required by relevant Acts and/or regulations.

26 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure 24. Guidance 5.6 Record keeping must be sufficient to enable the Authority to monitor compliance with regulatory and anti-money laundering/countering terrorism financing/ countering proliferation financing obligations. Remove ing from counter terrorism and proliferation Recommendation accepted and relevant change made. Section 5.6 revised to read as follows: Record keeping must be sufficient to enable the Authority to monitor compliance with regulatory and anti- money laundering/counter terrorism financing/counter proliferation financing obligations.

25. Guidance 5.7 TSPs, CSPs and persons conducting the business of company management should ensure that their records, including accounting records, are maintained using an appropriate record management system and in a manner that allows the Authority to access records. Records may be kept in a form other than a paper- based document or copy of a document, as long as the integrity of the document remains intact. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. The Para should refer either to: A person conducting the business of companies management should ensure that their records... or Relevant TSPs and CSPs should ensure that their records... No separate reference to TSPs or CSPs is required or desirable. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. The Electronic Transactions Act allows for electronic documents to stand as evidence. Suggest adding to the end of this Guidance Response #1 and #2 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. The Authority has updated the sections as detailed below:

Section 4: Record for the purposes of this document includes, as applicable: Electronic record as defined in the Electronic Transactions Act (as amended); and/or Document as defined in the MAA, which includes paper-based records. Section 5.7: Licensees conducting the business of company management should ensure that their records, including accounting records, are maintained using an appropriate record management system and in a manner that allows the Authority to access records ... .

27 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure "(including as allowed under the Electronic Transactions Act)". Comment #2 In line 1, the words "and persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. 26. Guidance 5.8 A TSP, CSP and persons conducting the business of company management should establish a records management system that addresses but is not limited to the categorization of records, records retention periods for various categories of records, and disposal of records. The records management system should comprise of a

comprehensive record retention policy that is in line with regulatory laws and other legal requirements in the Cayman Islands. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. The Para should refer either to: A person conducting the business of companies management should establish... Or Relevant TSPs and CSPs should establish... No separate reference to TSPs or CSPs is required or desirable. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Guidance 5.8 revised to read as follows: Licensees conducting the business of company management should establish and maintain a records management program that addresses, but is not limited to, the categorisation of records; records retention periods for various categories of records; and disposal of records. The records management program should include a comprehensive record retention policy which is in line with regulatory Acts and other legal requirements in the Cayman Islands. 28 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure Comment #2 In line 1, the words "and persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. In line 2, we suggest that the word "program" is more appropriate than "system." The last sentence should read as follows: "The records management program should include a comprehensive record retention policy which is in line with regulatory laws and other legal requirements in the Cayman Islands." Comment #3 Replace system with process (as system infers IT solution) 27. Rule 5.9 Records must be maintained so that they are up-to-date at all times as far as is reasonably practical. There should be no unjustifiably excessive Replace maintenance with retrieval (not sure how maintenance can be delayed?) The Authority has noted the comment and made changes to the regulatory measure for greater clarity, as applicable. Rule 5.9 revised to read as follows: Records must be maintained in a manner that ensures that they are kept up-to-date at all times as far as is reasonably practical. There should be no unjustifiably excessive delays in the adequate 29 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure delays to records maintenance. maintenance of records, including keeping relevant records up-to-date . 28. Rule 5.9 Records must be maintained so that they are up-to-date at all times as far as is reasonably practical. There should be no unjustifiably excessive delays to records maintenance. Should unjustifiably excessive delays be quantified? For example, could the Authority consider requiring that records be updated every 72 hours after a change? The Authority has noted the comment, however based on the varying nature of organisational operations amongst licensees, quantifying unjustifiably excessive delays is not deemed feasible. Notwithstanding, updates have been made for clarification. Section 5.9 revised to read as follows: Records must be maintained in a manner which ensures that they are kept up-to-date at all times as far as is reasonably practical. There should be no unjustifiably excessive delays in the adequate maintenance of records, including keeping relevant records up-to-date. 29. Guidance 5.10 A TSP, CSP and persons conducting the business of company management may accept and rely on records supplied by a third party so long as those records are capable of being, and are,

reconciled with records held by the TSP and CSP. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. The Para should refer either to: A person conducting the business of companies management may accept and rely... with records held by such person. or Relevant TSPs and CSPs may accept and rely...with records held by the Relevant TSP or CSP, as applicable. No separate reference to TSPs or CSPs is required or desirable. This The Authority has noted the comments and made changes to the regulatory measure for greater clarity of scope of application. Guidance 5.10 revised to read as follows: Licensees conducting the business of company management may accept and rely on records supplied by a third party as long as those records are capable of being, and are, reconciled with records held by the licensee . 30 No. Section Comments Authority s Response Consequent Amendments to the Proposed Measure confuses the scope of the Proposed RSoG in line with the Key Ambiguity. Comment #2 In line 1, the words "and persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. 30. Guidance 5.11 Where it is impractical for a TSP, CSP or persons conducting the business of company management to maintain its own records and records are retained by a third party, the TSP, CSP, or persons conducting the business of company management maintains ultimate responsibility for record retention and ensuring records can be retrieved in a timely fashion. The TSP, CSP or persons conducting the business of company management remains responsible for compliance with all record-keeping requirements and for Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 In lines 1 and 2, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of The Authority has noted the comments and made changes to the regulatory measure for greater clarity of scope of application. Guidance 5.11 revised to read as follows: Where it is impractical for a licensee conducting the business of company management to maintain its own records, and records are retained by a third party, the licensee maintains ultimate responsibility for record retention and ensuring records can be retrieved in a timely manner. The licensee conducting the business of company management remains responsible for compliance with all record-keeping requirements and for accessibility of records by the Authority. 31 No. Section Comments Authority s Response Consequent Amendments to the Proposed Measure accessibility of records by the Authority. company management is licensed to do so under the Company Management Act. 31. Rule 5.12 TSPs, CSPs and persons conducting the business of company management must ensure that all customer due diligence information and transaction records are available without delay upon request by the Authority. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Rule. This confuses the scope of the Proposed



RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. In addition, it should be made clear that the transaction records referenced in this Rule relate only to those transactions between the licensee and its client as opposed to the transaction records of its clients. This is in line with relevant legislation / regulation and guidance and the GIFCS Standard.

Comment #2 In line 1, the words "and persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Rule 5.12 revised to read as follows: Licensees conducting the business of company management must ensure that all customer due diligence information on its clients and transaction records related to its company management business are available without delay upon request by the Authority. 32 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure company management is licensed to do so under the Company Management Act. In lines 2 and 3, the words "transaction records" are not clear. We suggest that it should be records of transactions whereby services are provided to customers. 32. Rule 6.1 TSPs, CSPs, and persons conducting the business of company management must maintain records in their original format for a minimum period of five years after the transaction date or any other period as stipulated in regulatory or other laws. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Rule. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. We would query the obligation to maintain documents "in their original format". Presumably, there must be the ability to retain such documents in electronic format, in accordance with the Electronic Transaction Act, as well as Para 5.7 above and the Rules and Guidance on the Minimum Criteria for Maintaining Physical Presence for Licensees. Comment #2 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Rule 6.1 revised to read as follows: Licensees conducting the business of company management must maintain records for a minimum period of five years after each related transaction date or any other period as stipulated in relevant Acts and/or regulations 33 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure This paragraph should read as follows: "6.1 TSPs and CSPs must maintain records for a minimum period of five (5) years after the relationship comes to an end." 33. Rule 6.1 TSPs, CSPs, and persons conducting the business of company management must maintain records in their original format for a minimum period of five years after the transaction date or any other period as stipulated in regulatory or other laws. Should regulatory be amended to regulatory laws? The Authority has noted the comment but is agreeable with the current substantive wording of this paragraph of the measure. Notwithstanding, update made to sentence structure to clarify regulatory laws. Additionally, updates have been made in order to clarify the scope of application. Section 6.1 revised to read as follows: Licensees conducting the business of company management must maintain records for a

minimum period of five years after each related transaction date or any other period as stipulated in relevant Acts and/or regulations . 34. Guidance 6.2 This statement is without prejudice to other legal obligations the TSPs, CSPs or persons conducting the business of company management may have to keep records for certain periods of time but does stipulate the minimum time period for which records must be kept. For example, where a fiduciary relationship has been formed with clients it may be necessary to keep records for longer periods of time. In the case of trusts for example, the Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. This Key Ambiguity is made still more unclear by the final sentence which contains the reference to trusts. The business of company management is, by definition, in The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Guidance 6.2 revised to read as follows: This minimum retention period requirement is not intended to contravene other legal obligations. Licensees conducting the business of company management may have to keep records for certain periods of time longer than five years. For example, where a fiduciary relationship has been formed with clients it may be necessary to keep records for longer periods of time. 34 No. Section Comments Authority s Response Consequent Amendments to the Proposed Measure requirement to keep records may last for the lifetime of the trust and for further periods thereafter. relation to corporate services, which are distinct from trust business. If the Authority wishes to introduce record keeping requirements for trustees conducting trust business, this should be done under the auspices of a separate regulatory measure for trustees conducting trust business or, alternatively, the scope of this Proposed RSoG should be revised so as to remove the Key Ambiguity (see the explanation of the Key Ambiguity and comments to Para 2.1). Comment #2 Replace without prejudice (not correct use of the term legally) with concurrent with 35. Rule 7.1 A TSP, CSP, or persons conducting the business of company management must maintain adequate procedures for the availability, maintenance, security, privacy and preservation of records, working papers and documents of title belonging to the TSP and CSP, clients or others so that they are reasonably safeguarded against loss, unauthorised access, Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Rule. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 Response #1 and #2 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Response #3 The Authority has noted the comment, however the requirement for adequate maintenance of records will also apply to working papers. Rule 7.1 revised to read as follows: Licensees conducting the business of company management must maintain adequate procedures for the availability, maintenance, security, privacy and preservation of records, working papers and documents of title belonging to the licensee, clients or others so that they are reasonably safeguarded against loss, unauthorised access, alteration or destruction.

This includes records retained electronically or by any other medium. 35 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure alteration or destruction. This includes records retained electronically or by any other medium. In line 1, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. Comment #3 Remove working paper as would generally be a draft and not the final paper. 36. Guidance 7.2 Records should be retained in the English language or be professionally translated into written English without delay at the request of the Authority. Where records are translated, the original language version should be retained. Does professionally mean that the translation should be done by a business and not an individual, or does it mean that the translator should possess a professional qualification? The Authority has noted the comment and deems professionally in this regard to mean that the translation is completed by a person and/or entity duly qualified to do so. Consequent update made to the measure. Section 7.2 revised to read as follows: Records should be retained in the English language or be professionally translated (i.e., the translation is completed by an individual and/or entity duly qualified to do so) into written English without delay at the request of the Authority. Where records are translated, the original language version should be retained. 37. Guidance 7.3 Where a TSP, CSP or persons conducting the business of company management maintains records belonging to another TSP, CSP, or persons conducting the business of company management who is a client, it should ensure that Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management The Authority has noted the comments and made changes to the regulatory measure for greater clarity of scope of application. Guidance 7.3 revised to read as follows: Where licensees conducting the business of company management maintains records belonging to another licensee conducting the business of company management who is a client, it should ensure that client records are treated in accordance with the practices outlined in this Rule and Guidance. 36 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure client records are treated in accordance with the practices outlined in this Rules and Guidance. should be assiduously avoided for the reasons previously rehearsed. Comment #2 In line 1, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. in the last line, the "s" in "Rules" should be deleted 38. Guidance 7.4 A TSP, CSP, or persons conducting the business of company management should review its record keeping arrangements periodically including where third parties are involved, and make adjustments if necessary. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management

should be assiduously avoided for the reasons previously rehearsed. Comment #2 In line 1, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider. The Authority has noted the comments and made changes to the regulatory measure for greater clarity of scope of application. Guidance 7.4 revised to read as follows: A licensee conducting the business of company management should review its record keeping arrangements periodically, including where third parties are involved, and make adjustments if necessary.

37 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act.

39. Guidance 7.5 The Authority understands that as a normal course of doing business, there will be instances where there is merger, transfer, or discontinuation of activities. Nonetheless, the Authority expects that TSPs, CSPs, or persons conducting the business of company management have a plan in place for the treatment of records once an entity ceases to do business. The Authority must be informed of where and how records may be accessed once a TSP, CSP or persons conducting the business of company management ceases to carry on business. Notwithstanding cessation of business, record-keeping requirements should be met for the period required by the regulatory or other laws.

Comment #1 Suggest referring to discontinuation of activities in the second line to address the grammar typo therein. The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed.

Comment #2 In lines 3 and 4, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act.

Response #1 and #2 The Authority has noted the comments and made changes to the regulatory measure for greater clarity of scope of application.

Response #3 The Authority has noted the comment and made the necessary grammatical change.

Guidance 7.5 revised to read as follows: The Authority understands that in the normal course of doing business, there will be instances where there is a merger, transfer, or discontinuance of activities. Nonetheless, the Authority expects that licensees conducting the business of company management have a plan in place for the treatment of records once an entity ceases to carry on business. The Authority must be informed of where and how records may be accessed once a licensee conducting the business of company management ceases to carry on business. Notwithstanding, upon cessation of business, record-keeping requirements should be met for the period required by the relevant Acts and/or regulations.

38 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure 40. Guidance 7.5 The Authority understands that as a normal course of doing business, there will be instances where there is merger, transfer, or discontinuation of activities. Nonetheless, the Authority expects that TSPs, CSPs, or persons conducting the business of company management have a plan in place for the treatment of records once an entity ceases to do business. The Authority must be informed of where and how records may be accessed once a TSP, CSP or persons conducting the

business of company management ceases to carry on business. Notwithstanding cessation of business, record-keeping requirements should be met for the period required by the regulatory or other laws. Consider replacing discontinue with discontinuance of . Should regulatory be amended to regulatory laws ? The Authority has noted the comment and made the recommended grammatical change, discontinuance . Additionally, updates made to sentence structure to clarify regulatory laws and clarify the scope of application. Section 7.5 revised to read as follows: The Authority understands that in the normal course of doing business, there will be instances where there is a merger, transfer, or discontinuance of activities. Nonetheless, the Authority expects that licensees conducting the business of company management have a plan in place for the treatment of records once an entity ceases to carry on business. The Authority must be informed of where and how records may be accessed once a licensee conducting the business of company management ceases to carry on business. Notwithstanding, upon cessation of business, record-keeping requirements should be met for the period required by the relevant Acts and/or regulations .

41. Rule 8.1 A TSP, CSP, or persons conducting the business of company management must record information likely to be required by the Authority in such a way as to enable a particular transaction to be identified

Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Rule. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Rule 8.1 revised to read as follows: A licensee conducting the business of company management must record information necessary to give a true and fair view of the state of the licensee s affairs and to explain its transactions. This information will be required by the Authority and must be

39 No. Section Comments Authority s Response Consequent Amendments to the Proposed Measure at any time and traced through the accounting systems, in particular in such manner as to enable early identification of balances and of the particular items which make up those balances. addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 In line 1, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. maintained in such a way so as to enable a particular transaction to be identified at any time and appropriately traced, in particular, to enable early identification of balances and of the particular items which make up those balances.

42. Rule 8.1 A TSP, CSP, or persons conducting the business of company management must record information likely to be required by the Authority in such a way as to enable a particular transaction to be identified at any time and traced through the accounting systems, in particular in such manner as to enable early identification of balances and of the particular items which make up those balances. Can information likely be defined? The Authority has noted the comment and made changes to the regulatory measure for greater clarity, as applicable. Section 8.1 revised to read as follows: A licensee conducting the business of company management must record information necessary to give a true and fair view of the state of the licensee s

affairs and to explain its transactions. This information will be required by the Authority and must be maintained in such a way so as to enable a particular transaction to be identified at any time and appropriately traced, in particular, to enable early identification of balances and of the particular items which make up those balances. 40

No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure 43. Rule 8.2 A TSP, CSP, or persons conducting the business of company management must keep proper accounting records in such a manner that they are sufficient to show and explain the transactions and commitments (whether effected on its own behalf or on behalf of others including clients) and in particular so that these records: a) disclose with accuracy and completeness the financial position for a minimum of five years of operation or for a time period as required under the Anti-Money Laundering Regulations (AMLRs); b) demonstrate whether or not the TSP, CSP, or persons conducting the business of company management is or was at that time complying with its financial resources requirement, where applicable (e.g capital requirements); and Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Rule. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 In line 1, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. In line 2 of the preamble, the words "accounting records" should be replaced with "books of account" as the latter words are used in the Companies Act. In subclause b), lines 2 and 3, the words "or persons conducting the business of company management" are redundant because of the definition of Response #1, #2 and #3 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Regarding comment relating to the preparation of financial reporting statements, it is the expectation of the Authority that licensees be able to prepare interim statements as needed. Response #4 The Authority has noted the comment, however it is the expectation of the Authority that licensees be able to prepare interim statements as needed Rule 8.2 revised to read as follows: A licensee conducting the business of company management must keep proper accounting records/books of account in such a manner that they are sufficient to show and explain the transactions and commitments related to its company management business (whether effected on its own behalf or on behalf of others, including clients) and in particular so that these records: a. disclose with accuracy and completeness the financial position for a minimum of five years of operation or for a time period as required under the AMLRs; b. demonstrate whether or not the licensee conducting the business of company management is or was at that time complying with its financial resources requirement, where applicable (e.g capital requirements); and c. enable the licensee conducting the business of company management to prepare, within a time period specified by the Authority, any financial reporting required by the Authority as at the close of business for any date within the previous five years, and that the statement complies with the requirements of the Authority . 41 No. Section Comments Authority's Response Consequent

Amendments to the Proposed Measure c) enable the TSP, CSP, or persons conducting the business of company management to prepare, within a time period specified by the Authority, any financial reporting statement required by the Authority as at the close of business for any date within the previous five years, and that the statement complies with the requirements of the Authority. Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. In subclause c), lines 1 and 2, the words "and persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. Subclause c) is unworkable in practice because companies do not compile daily financial statements but most do so annually. Therefore, the subclause should say, in the last two lines: "close of business for any financial year end within the previous five (5) years, and that the statement complies with the requirements of the Authority." Comment #3 Rule 8.2 (Preamble) Remove whether effected on its own behalf or on behalf of others including clients. 42 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure Corporate service providers would not be obtaining copies of clients accounting records. Comment #4 Rule 8.2 (c) Add if financial accounts are not available 44. Guidance 8.3 A TSP, CSP, or persons conducting the business of company management should ensure that its accounting records shall as a minimum contain: a) a record of all assets and liabilities including any commitments or contingent liabilities; b) a record of all income and expenditure explaining its nature; c) a record of all investments or documents of title in the possession or control of the TSP, CSP, or persons conducting the business of company management, showing the physical location, the beneficial owner, the purpose for which they are held and whether Comment #1 This Para should clarify that the referenced accounting records are those of the Relevant TSP or CSP and not those of its clients. This is in line with relevant legislation and regulations and that the GIFCS Standard. The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 In line 1, the words "or persons conducting the business of company management" are redundant because of the The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Guidance 8.3 revised to read as follows: A licensee conducting the business of company management should ensure that its accounting records/books of account relating to its company management business shall as a minimum contain: g) a record of all assets and liabilities including any commitments or contingent liabilities; h) a record of all income and expenditure explaining its nature; i) a record of all investments or documents of title in the possession or control of the licensee conducting the business of company management, showing the physical location, the beneficial owner, the purpose for which they are held and whether they are subject to any charge; j) entries from day to day of all sums of money received and expended whether on its behalf or on behalf of others (including clients), and the matters in respect of which the receipt and

expenditure takes place; 43 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure they are subject to any charge; d) entries from day to day of all sums of money received and expended whether on its behalf or on behalf of others (including clients), and the matters in respect of which the receipt and expenditure takes place; e) entries from day to day of all purchases and sales of investments distinguishing those which are made by the TSP, CSP, or persons conducting the business of company management on its own account and those which are made by or on behalf of others (including clients); and f) entries from day to day of the receipt and dispatch of documents of title, which are in the possession or control of the TSP, CSP, or persons conducting the business of company management.

definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. k) entries from day to day of all purchases and sales of investments distinguishing those which are made by the licensee conducting the business of company management on its own account or those which are made by or on behalf of others (including clients); and l) entries from day to day of the receipt and dispatch of documents of title, which are in the possession or control of the licensee conducting the business of company management

44 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure 45. Guidance 9.1 TSPs, CSPs, or persons conducting the business of company management that maintain their accounting and other records in a location outside of the Cayman Islands, should also ensure that: a) The data is kept secure and they mitigate against operational risk; and b) They are familiar with The Confidential Information Disclosure Act. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 In line 1, "management" is not spelled properly. In addition, in line 1, the words " or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. Comment #3 Management typo Response #1 and #2 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Response #3 The Authority has noted the comment and updated accordingly. Guidance 9.1 revised to read as follows: Licensees conducting the business of company management that maintain their accounting and other records in a location outside of the Cayman Islands, should also ensure that: a) The data is kept secure and operational risk is mitigated; and b) They are familiar with the Confidential Information Disclosure Act. 46. Guidance 9.1 TSPs, CSPs, or persons conducting the business of company management that maintain their accounting and other records in a 9.1 a) Consider inserting that after kept secure and . 9.1 b) Consider replacing the uppercase T in The with a lowercase t. The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Section 9.1 revised to read as follows: A licensee conducting the business of company management that maintains their accounting and other records in a

45 No. Section Comments Authority's Response Consequent Amendments to the Proposed



Measure location outside of the Cayman Islands, should also ensure that: a) The data is kept secure and they mitigate against operational risk; and b) They are familiar with The Confidential Information Disclosure Act. location outside of the Cayman Islands, should also ensure that: The data is kept secure and operational risk is mitigated ...

47. Rule 9.2 When records are held outside of the Cayman Islands, TSPs, CSPs, or persons conducting the business of company management must ensure that the Authority will have access to records at all reasonable times in accordance with the relevant laws and within the time stipulated in 5.3. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Rule. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 In lines 1 and 2, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. The Authority has noted the comments and made changes to the regulatory measure for greater clarity of scope of application. Rule 9.2 revised to read as follows: When records are held outside of the Cayman Islands, licensees conducting the business of company management must ensure that the Authority has access to records at all reasonable times in accordance with the relevant laws and within the time stipulated in Rule 5.3.

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48. Rule 9.3 Where a TSP, CSP, or persons conducting the business of company management has no physical presence in the Cayman Islands, there must be no restrictions to the access of records by the Authority regarding the entity or its clients. Comment #1 This Rule should make clear that the requirement is for no additional restrictions (as opposed to totally unrestricted access). Documents which are subject to legal professional privilege, for example, should remain confidential. The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 In lines 1 and 2, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Regarding comment on unrestricted access, this does not preclude any prohibitions to access as per other prevailing legislation or required professional conduct, e.g., information being subject to legal professional privilege. However, subject to the preceding, it is important for the Authority to have unrestricted access to relevant records to properly execute its functions. Rule 9.3 revised to read as follows: Where a licensee conducting the business of company management pursuant to Section 3(1)(g) (I) of the CMA has no physical presence in the Cayman Islands, there must be no restrictions to the access to relevant records by the Authority regarding the entity or its clients.

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Response Consequent Amendments to the Proposed Measure 49. Guidance 9.3 Where a TSP, CSP, or persons conducting the business of company management has no physical presence in the Cayman Islands, there must be no restrictions to the access of records by the Authority regarding the entity or its clients. With regards to the phrase, no physical presence in the Cayman Islands, is this still possible with the proposed Rules and Guidance: Minimum Criteria for Physical Presence? The Authority has noted the comment and advises that no physical presence is a possibility for certain licensees. Section 9.3 revised to read as follows: Where a licensee conducting the business of company management pursuant to Section 3(1)(g) (l) of the CMA has no physical presence in the Cayman Islands, there must be no restrictions to the access to relevant records by the Authority regarding the entity or its clients. 50.

Guidance 9.4 Where records are maintained outside the Cayman Islands through outsourcing, storage, or other arrangements, the TSP, CSP, or persons conducting the business of company management remains ultimately responsible for record keeping requirements and accessibility to records by the Authority. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 In lines 2 and 3, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. The Authority has noted the comments and made changes to the regulatory measure for greater clarity of scope of application. Guidance 9.4 revised to read as follows: Where records are maintained outside the Cayman Islands through outsourcing, storage, or other arrangements, the licensee conducting the business of company management remains ultimately responsible for record keeping requirements and accessibility to records by the Authority.

48 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure 51. Guidance 9.5 A TSP, CSP, or persons conducting the business of company management should not keep records outside the Cayman Islands if access to those records by the Authority is likely to be restricted or delayed by confidentiality or data protection restrictions. Where such restrictions exist, it is expected that the TSP or CSP maintain the same records within the Cayman Islands. Comment #1 This Para should make clear that the requirement is for no additional restrictions arising as a result of local law / regulation or practical distance issues (as opposed to totally unrestricted access). Documents which are subject to legal professional privilege, for example, should remain confidential. The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 In line 1, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company

Management Act. The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Guidance 9.5 revised to read as follows: A licensee conducting the business of company management should not keep relevant records outside the Cayman Islands if access to those records by the Authority is likely to be restricted or delayed by law and/or regulation governing the jurisdiction outside of the Cayman Islands. Where such restrictions exist, it is expected that the licensee maintain the same records within the Cayman Islands. 49 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure 52. Guidance 10.1 It is expected that a TSP, CSP, and persons conducting the business of company management treat electronic records with the same requirements as paper-based records. The scanning of paper-based records, and the creation, retention, storage, and disposal of records, using emerging technologies such as cloud-based services should adhere to the same record-keeping standards as paper-based records. Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. Comment #2 In lines 1 and 2, the words "and persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Guidance 10.1 revised to read as follows: It is expected that a licensee conducting the business of company management applies to electronic records, the same requirements associated with paper-based records. The conversion of paper-based records to electronic records via scanning or otherwise, and the consequent creation, retention, storage, and disposal of such records (for example, using emerging technologies such as cloud-based services) should adhere to the same record-keeping standards as paper-based records. 53. Guidance 10.2 The Authority understands that electronic records can be more practical than paper-based records for disaster preparedness and storage reasons. Record retention may be in the form of electronic records unless specified otherwise by regulatory or other laws. Electronic records must be Comment #1 This appears to contradict Rule 6.1. For the reasons outlined in our response regarding that Rule 6.1, the position under Para 10.2 seems more appropriate. Comment #2 Add able to be reproduced in hard copy Response #1 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Guidance 10.2 revised to read as follows: The Authority understands that electronic records can be more practical than paper-based records for disaster preparedness and storage reasons. Record retention may be in the form of electronic records unless specified otherwise by relevant Acts and/or regulations. Electronic records must be of good quality, an accurate reflection of the paper-based record (where one exists), 50 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure of good quality, be an accurate reflection of the paper-based record (where one exists), must be complete and unaltered, and be easily accessible and reproduced in hard copy. complete and unaltered, easily accessible, and reproducible in hard copy. 54. Guidance 10.2 The

Authority understands that electronic records can be more practical than paper-based records for disaster preparedness and storage reasons. Record retention may be in the form of electronic records unless specified otherwise by regulatory or other laws. Electronic records must be of good quality, be an accurate reflection of the paper-based record (where one exists), must be complete and unaltered, and be easily accessible and reproduced in hard copy. Should regulatory be amended to regulatory laws? The Authority has noted the comment but is agreeable with the current substantive wording of this paragraph of the measure. Notwithstanding, update made to sentence structure to clarify regulatory laws. Additionally, updates haven made to the regulatory measure for greater clarity, as applicable. Section 10.2 revised to read as follows: The Authority understands that electronic records can be more practical than paper-based records for disaster preparedness and storage reasons. Record retention may be in the form of electronic records unless specified otherwise by relevant Acts and/or regulations. Electronic records must be of good quality, an accurate reflection of the paper-based record (where one exists), complete and unaltered, easily accessible, and reproducible in hard copy. 55. Guidance 10.3 The Authority expects that caution is used against the premature destruction of paper-based records which have been converted to electronic records. A TSP, CSP, or persons conducting the business of company management should be satisfied that, inter alia, Comment #1 The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management Response #1 and #2 The Authority has noted the comments and made changes to the regulatory measure for greater clarity of scope of application. Response #3 The Authority has noted the comment and corrected error. Guidance 10.3 revised to read as follows: The Authority expects that caution is used against the premature destruction of paper-based records which have been converted to electronic records. A licensee conducting the business of company management should be satisfied that, inter alia, there are safeguards in place for the conversion of paper-based records. Legal, regulatory and 51 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure there are safeguards in place for the conversion of paper-based records. Legal, regulatory and organizational requirements and recommendations should be key determining factors on the retention of paper-based records. should be assiduously avoided for the reasons previously rehearsed. Comment #2 In line 3, the words "or persons conducting the business of company management" are redundant because of the definition of Corporate Service Provider in paragraph 4.1. A person conducting the business of company management is licensed to do so under the Company Management Act. Comment #3 Organisational (with s, English) organisational requirements and recommendations should be key determining factors in the retention of paper-based records. 56. Rule 10.4 The conversion of any paper-based record to an electronic record must not hinder the availability of such records to the Authority. The use of technology to handle records does not absolve of any regulatory or legal obligations for record-keeping. Comment #1 The wording in the second sentence of this Rule lacks clarity. Suggest revising to: The use of technology to handle records does not absolve the [Relevant TSP or CSP OR person conducting the

business of company management] from any record-keeping obligations under applicable laws or regulations. Comment #2 The first sentence of this paragraph should read as follows: "10.4 The conversion of paper records to an electronic record format must not hinder the Response #1 The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Response #2 The Authority has noted the comment but is comfortable with the current wording of this rule of the measure. Rule 10.4 revised to read as follows:

The conversion of any paper-based record to an electronic record must not hinder the availability of such records to the Authority. The use of technology to handle records does not absolve a licensee conducting the business of company management from any record-keeping obligations under relevant Acts and/or regulations. 52 No. Section Comments Authority's Response Consequent Amendments to the Proposed Measure availability of such electronic records to the Authority." 57.

Rule 10.4 The conversion of any paper-based record to an electronic record must not hinder the availability of such records to the Authority. The use of technology to handle records does not absolve of any regulatory or legal obligations for record-keeping. Please consider explaining who is not absolved. The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Section 10.4 revised to read as follows: The conversion of any paper-based record to an electronic record must not hinder the availability of such records to the Authority. The use of technology to handle records does not absolve a licensee conducting the business of company management from any record-keeping obligations under relevant Acts and/or regulations . 58. Guidance 10.5 The Authority expects that TSPs, CSPs, and persons conducting the business of company management will comply with the Electronic Transactions Act (as amended). The same issue with reference to TSPs, CSPs and to persons conducting the business of company management also arises in this Para. This confuses the scope of the Proposed RSoG in line with the Key Ambiguity. References to TSPs and CSPs in addition to persons conducting the business of company management should be assiduously avoided for the reasons previously rehearsed. The Authority has noted the comments and made changes to the regulatory measure for greater clarity, as applicable. Guidance 10.5 revised to read as follows: The Authority expects that licensees conducting the business of company management will comply with the Electronic Transactions Act (as amended). 59. Guidance 12.1 The Rules and Guidance will come into effect exactly six months from the date is the measure is published in the Gazette. Consider inserting (6) after six. Consider inserting that after from the date . Consider removing is . The Authority has noted the comments and made changes to the regulatory measure in line with the recommendation. Section 12.1 revised to read as follows: For all new licence applicants, the Rules and Guidance will come into effect within six (6) months of the date in which the measure is published in the Gazette.