

**MEMORANDUM**

**From:** Clare Guile, Head of CARA

**Date:** 1 November 2022

**To:** Tiffany Ebanks, Chief Financial Officer

**Cc'd:** J. Lemuel Hurlston, Chair of CARA Board

**RE:** Purchase Agreement between CIG and CILPA dated 31 December 2021

1. Under the terms of the Purchase Agreement, the outputs purchased by Cabinet and to be delivered by CILPA (delegated to its sub-committee, CARA) during the fiscal year 2022 is as follows –

<b>MEASURES</b>	<b>2022 1 Jan to 31 Dec 2022</b>
<b>QUANTITY</b>	
<ul style="list-style-type: none"> <li>Number of applications for registration and cancellations of registration processed</li> </ul>	2-8
<ul style="list-style-type: none"> <li>Number of ML/TF/PF/TFS risk assessments conducted</li> </ul>	50-65
<ul style="list-style-type: none"> <li>Number of supervisory activities and or enforcement actions applied to supervised firms</li> </ul>	30-60
<ul style="list-style-type: none"> <li>Number of outreach events and activities delivered to supervised firms</li> </ul>	2-4
<ul style="list-style-type: none"> <li>Number of meetings held, and presentations made to other supervisory authorities, LEAs, and relevant stakeholders</li> </ul>	12-15
<ul style="list-style-type: none"> <li>Number of public notices, publications, advisories, press releases and responses to industry queries in which CARA provided technical advice, guidance, information, and support to the legal sector</li> </ul>	5-10
<b>QUALITY</b>	
<ul style="list-style-type: none"> <li>Regulatory and supervisory functions carried out in accordance with applicable legislation, CARA Guidance, policies and procedures and Board directives</li> </ul>	95-100%
<b>TIMELINESS</b>	
<ul style="list-style-type: none"> <li>Conduct supervisory and enforcement activity according to established timelines</li> </ul>	85-100%

2. The following table shows outputs/ deliverables budgeted per the Purchase Agreement (column 2 - 'Qty') compared to actual (column 6 - 'Sub Total') and projected deliverables (column 7 - Q4 'Projected').

Purchase Agreement 2022-2025		2022								
Measurables	QTY	ACTUAL	ACTUAL	ACTUAL			SUB TOTAL (as at end of Q3)	Q4 PROJECTED	YR END TOTAL	
		Q1 (JAN - MAR)	Q2 (APR - JUN)	JUL	AUG	SEPT		Q4		
1 No. of applications for registration and cancellation of registration processed	2-8	2	6	1	1	1	11	2	13	
2 No. of ML/TF/PF/TFS risk assessments conducted	50-65	0	53	0	0	0	53	0	53	
3 No. of supervisory activities and or enforcement actions applied to supervised firms	30-60	1	22	1	47	0	71	1	72	
4 No. of outreach events and activities delivered to supervised firms	2-4	1	0	0	0	0	1	1	2	
5 No. of meetings held, presentations made to other supervisory authorities, LEAs, and relevant stakeholders.	12-15	9	6	0	2	2	19	7	26	
6 No. of public notices, publications, advisories, press releases, and responses to industry enquiries, in which CARA provided technical advice, guidance, information, and support to the legal sector	5-10	6	7	4	8	5	30	6	36	

### 3. Measurable #1

- 3.1. Actual outputs achieved in Q3 totaled three.
- 3.2. During this period two new firms were onboarded and registered, and one firm was de-registered as no longer providing 'relevant financial business' ("RFB").
- 3.3. The required budgeted output is 2-8 for 2022. At the end of Q3, actual outputs achieved totaled 11. This measurable has been exceeded.

### 4. Measurable #2

- 4.1. Actual outputs achieved by Q3 totaled 53.
- 4.2. This measurable relates to CARA's annual AML Return exercise in which all firms conducting RFB are required to complete and submit a detailed questionnaire on their ML/TF/PF risks and compliance with the Anti-Money Laundering Regulations ("AMLRs"). This data is used by CARA to risk profile each firm which in turn drives CARA's risk-based approach to supervision.

4.3. The required budgeted output is 50-65 for 2022. Actual outputs total 53. This measurable has been met.

4.4. There are no figures reported for Q3 and Q4 as the AML Return exercise was completed in Q2.

**5. Measurable #3**

5.1. Actual outputs achieved in Q3 totaled 48.

5.2. During this period CARA carried out supervisory engagement to assess firms' compliance with AML Regulation 5 (a)(ix) – 'independent audit function'. Audit reports and plans were requested for review from 43 firms. CARA also followed up with five firms which had previously failed to provide a copy of their Business Risk Assessment.

5.3. The required budgeted output is 30-60 for 2022. At the end of Q3, actual outputs achieved totaled 71. This measurable has been exceeded.

**6. Measurable #4**

6.1. At the end of Q3, actual outputs achieved totaled one.

6.2. The required output is 2-4 for 2022.

6.3. The projection for Q4 shows this measurable will be met by year end. An outreach event on the findings of CARA's thematic review of firms' business risk assessments was delivered in October 2022.

**7. Measurable #5**

7.1. Actual outputs achieved in Q3 totaled four.

7.2. The required budgeted output is 12-15 for 2022. At the end of Q3, actual outputs achieved totaled 19. This measurable has been exceeded.

**8. Measurable #6**

8.1. Actual outputs achieved in Q3 totaled 17.

8.2. The required budgeted output is 5-10 for 2022. At the end of Q3, actual outputs achieved totaled 30. This measurable has been exceeded.

ENDS.



# INVOICE

Cayman Attorneys Regulation Authority  
(345) 749-2272 | info@cara.ky | [www.cara.ky](http://www.cara.ky)

**INVOICE # 8**  
**DATE** 1 November 2022

**FAO**  
Hon. Attorney General  
Cayman Islands Government  
Government Administration Building  
133 Elgin Ave, George Town  
Cayman Islands

**FOR** AML/CFT/CPF/TFS Supervision

Description	Amount
For <b>Q3/2022</b> (1 July – 30 Sept) – Supervision, monitoring, and regulation of firms of attorneys-at-law (including sole practitioners) conducting relevant financial business.	CI \$ 303,000.00

*R. J. Guile*  
7/11/2022

**Total** CI \$ 303,000.00

If you have any questions concerning this invoice, please contact Clare Guile | (345)-749-2276 | [clare.guile@cara.ky](mailto:clare.guile@cara.ky)

Portfolio of Legal Affairs  
4<sup>th</sup> Floor, Government Administration Building  
133 Elgin Avenue  
Grand Cayman, Cayman Islands  
TEL: 946-0022



CAYMAN ISLANDS  
GOVERNMENT

**MEMORANDUM**  
**Portfolio of Legal Affairs**

To: Accountant General, Treasury Department  
From: Chief Financial Officer, Portfolio of Legal Affairs  
Date: November 7, 2022  
Org Type: **Executive**  
Description: CILPA 2022 3<sup>rd</sup> Quarter Funding – Invoice #8

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Please effect immediately Cabinet Funding from Executive bank account [REDACTED] as set out below:


**Appropriation Details**

NGS 89 – Cayman Islands Legal Practitioners Association Ltd.

CI \$303,000.00

Regards,

  
Honourable Attorney General  
Samuel Bulgin, KC

  
Solicitor General  
Reshma Sharma, KC

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