

**MEMORANDUM OF UNDERSTANDING**

**between**

**The Cayman Islands Monetary Authority (CIMA)**

**and**

**The National Association of Insurance Commissioners (NAIC),  
for the United States of America**

**BOSTON, MASS. USA**

**4 AUGUST 2018**

## MEMORANDUM OF UNDERSTANDING

The Cayman Islands Monetary Authority (CIMA) and the National Association of Insurance Commissioners (NAIC), including its members, recognizing the increasing international activity in insurance markets and the corresponding need for mutual cooperation and the exchange of non-confidential information between the relevant supervisory authorities as a means for improving their effectiveness in administering and enforcing the insurance laws of their respective jurisdictions, have reached the following understanding:

### 1. DEFINITIONS

For the purposes of this Memorandum of Understanding (MoU), the terms set out below have the assigned meanings unless the context requires otherwise:

**“Authority”** means either:

- (i) The Cayman Islands Monetary Authority (CIMA), a statutory authority under section 5 of the Monetary Authority Law (2018 Revision) (the “Monetary Authority Law”) of the Cayman Islands
- (ii) The National Association of Insurance Commissioners (NAIC), a non-profit Delaware corporation, acting on behalf of its members, who are the chief insurance regulatory officers in each of the fifty States of the USA, the District of Columbia and the U.S. territories;
- (iii) CIMA and NAIC collectively will be referred to as ‘the Authorities’ throughout this MoU;

**“Jurisdiction”** means the country, state or other territory, as the case may be, in which either of the Authorities has legal authority, power and/or jurisdiction by law;

**“Laws, regulations, rules and requirements”** means the provisions of the laws, the regulations, the rules and requirements enacted in the Cayman Islands, the fifty States of the USA, the District of Columbia and the U.S. territories, for the purpose of regulating the business of insurance;

**“Requested Authority”** means the Authority to whom a request is made pursuant to paragraph 4 of this Memorandum of Understanding;

**“Requesting Authority”** means the Authority making a request under this Memorandum of Understanding.

## **2. OBJECTIVES**

- 2.1** This MoU sets forth the basis upon which the NAIC, acting on behalf of its members, and the CIMA propose to provide for mutual assistance and the exchange of non-confidential information for the purpose of facilitating the performance of insurance regulatory functions under the respective laws, regulations and requirements of the Cayman Islands, the fifty States of the USA, the District of Columbia and the U.S. territories. The purpose of the MoU is to help insurance supervisors maintain efficient, fair, safe and stable insurance markets in the Cayman Islands and the United States for the benefit of and protection of policyholders, by providing a framework for co-operation, increased mutual understanding, the exchange of information and technical assistance to the extent permitted by laws, regulations, rules and requirements.
- 2.2** The Authorities agree to appoint respective contact officers for the purpose of improving relations between insurance regulators in the Cayman Islands and the United States; to exchange information and to educate staff of the CIMA and members of the NAIC on insurance regulatory practices in the respective countries; to foster open communication among regulators; and to encourage cooperation among regulators on matters of common interest.
- 2.3** The Authorities intend to:
- a. use their best endeavors to ensure that the fullest mutual assistance is provided within the terms of the MoU to the full extent permitted by the laws, regulations, rules and requirements of their respective jurisdictions; and
  - b. engage in consultations, as appropriate, on mutually agreeable approaches designed to enhance the integrity and efficiency of their respective insurance markets and the exercise of insurance market supervisory functions.
- 2.4** This MoU does not modify or supersede and is subject to all laws, regulations, rules and requirements in force, or applying to, the CIMA, its regulated and supervised entities, or members of the NAIC, or the jurisdictions in which they are authorized to regulate the business of insurance.
- 2.5** This MoU does not create directly or indirectly any enforceable rights.

## **3. SCOPE**

- 3.1** The Authorities propose to ensure that mutual assistance and the exchange of non-confidential information is provided to the other, subject to applicable laws regulations, rules and requirements of their respective Jurisdictions and overall policy, in the areas of administration and enforcement of the laws, regulations and requirements relating to the business of insurance.

- 3.2** Contact officers or sufficiently senior nominees, from the CIMA and the NAIC shall meet once a year at mutually agreeable locations, including during International Association of Insurance Supervisors (IAIS) meetings. Additional meetings may be arranged by mutual agreement, if necessary.
- 3.3** The Authorities will provide mutual assistance periodically through:
- a. training held in the host country;
  - b. participation in internships with a specific educational focus;
  - c. educational seminars held in the host country;
  - d. provision of training manuals/material;
  - e. sharing of aggregated industry statistics and related non-confidential information; and
  - f. any other issues of common interest.
- 3.4** The Authorities recognize the need and desirability of providing mutual assistance and exchanging information to assist each other in better understanding and otherwise coordinating compliance with applicable laws, regulations, rules and requirements. However, assistance may be denied on the grounds of public interest.
- 3.5** The Authorities will bear their own respective expenses that may be incurred by them under the MoU. However, where the cost of fulfilling a request is deemed substantial, the Requested Authority may on a case-by-case basis, request the Requesting Authority to bear some or all of such costs.

#### **4. REQUESTS FOR ASSISTANCE**

- 4.1** Any request for assistance made under this MoU should be in writing, but in cases of urgency it may be oral and confirmed in writing within 10 days.
- 4.2** A request for assistance made under this MoU shall be addressed to one of the requested Authority's contact points listed in Annex 1, or that individual's nominee.
- 4.3** In deciding whether to accept or decline a request the requested Authority will, in particular, take account of:
- a. matters specified by the laws and regulations in the country or jurisdiction of the requested Authority;
  - b. whether it would be contrary to the public interest of the requested Authority, or a member thereof, to give the assistance sought; and
  - c. the resources available to the requested Authority to deal with the request.

#### **5. CONSULTATIONS AND WAIVER**

- 5.1 The Authorities will keep the operation of this MoU under continuous review and periodically consult with each other with a view to improving its operation and resolving any other matters.
- 5.2 Where the specific approach set out in the request for assistance may constitute a breach of a law, regulation or requirement in either the territory of the requesting or the requested Authorities, the relevant Authorities will consult in order to determine the most appropriate means for each Authority to provide assistance.
- 5.3 Any of the conditions of this MoU may be amended or waived by mutual agreement between the Authorities in writing.

## 6. TERMINATION

- 6.1 This MoU will continue to have effect unless terminated by either of the Authorities by giving 30 days advance written notice to the other Authority.

## 7. CONTACT OFFICERS

- 7.1 All communications between the Authorities should be between the principal points of contact listed in Annex 1 unless otherwise agreed.

## 8. ENTRY INTO EFFECT

- 8.1 This MoU will be effective from the date of its signing by the Authorities.

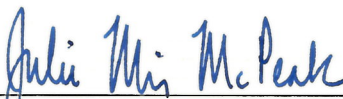
This Memorandum of Understanding is hereby entered into as evidenced by the signatures of the following representatives of the CIMA and the NAIC.

FOR & ON BEHALF OF THE CAYMAN  
ISLANDS MONETARY AUTHORITY

  
\_\_\_\_\_  
Managing Director

August 4, 2018  
\_\_\_\_\_  
Date

FOR THE NATIONAL ASSOCIATION OF  
INSURANCE COMMISSIONERS

  
\_\_\_\_\_  
President

August 4, 2018  
\_\_\_\_\_  
Date

## Annex 1

**NAIC Contact Officer:**

Mr. Ekrem M. Sarper  
Lead Manager, Bilateral Affairs  
444 North Capitol St. #700  
Washington, DC 20001  
Tel: 1.202.471.3976  
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**CIMA Contact Officer:**

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