

FUND FINANCE FRIDAY

Introduction of New Regulatory Regime for Cayman Private Equity Funds

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The Cayman Islands legislative assembly met on January 30 and passed the Private Funds Bill into law. The law now awaits formal commencement which can be expected to occur in the imminent future. The transitional period, within which relevant existing Cayman Islands funds will need to register with the Cayman Islands Monetary Authority, has not yet been announced.

Our previous note on this subject (link [here](#)) sets out the potential impact of the new law on fund finance transactions. The transitional period and registration deadlines, once announced, will be of immediate importance to Cayman Islands funds (in order that they remain in compliance with the Cayman Islands regulatory regime) and lenders to such funds (in order that the effectiveness of existing security is not compromised by a failure of relevant funds to meet such registration deadlines).