

## Frequently Asked Questions

### Registration with CARA

#### 1. What is CILPA?

The Cayman Islands Legal Practitioners Association (“**CILPA**”) is a company limited by guarantee established in October 2018. CILPA aims to provide modern and transparent governance of the legal profession. The representative functions of CILPA are to represent its members and to serve their interests. Services include continuing legal education. CILPA is also a designated AML supervisory authority for firms of attorneys-at-law and sole practitioners in the Cayman Islands. Such designation was made by Cabinet in accordance with the Cayman Islands Anti-Money Laundering Regulations (2020 Revision) as amended (the “**AMLRs**”).

#### 2. What is CARA?

CILPA delegated its AML supervisory function to its operationally independent sub-committee, the Cayman Attorneys Regulation Authority (“**CARA**”). CARA is responsible for regulating, supervising, and monitoring firms of attorneys-at-law and sole practitioners conducting ‘relevant financial business’.

CARA acts in the public interest. Working with firms and sole practitioners to help strengthen public confidence and trust in the Cayman Islands’ legal profession, both locally and internationally, by ensuring firms have effective AML processes, procedures and systems and controls in place to detect and prevent the legal and financial systems from being used to launder criminal, terrorist, or proliferation finance.

#### 3. Do I have to be a member of CILPA to register with CARA?

No, the CILPA membership process is a distinct and separate process from the CARA registration process. CILPA is a professional association that individual legal practitioners may choose to join by submitting membership forms and fees. Please visit the CILPA website ([www.cilpa.ky](http://www.cilpa.ky)) for more information in relation to CILPA membership.

Registration with CARA, however, is a mandatory requirement for all firms of attorneys-at-law.

#### 4. Do I need to register with CARA?

Pursuant to Regulation 55A of the AMLRs, if you are carrying on, or intend to carry on, business as a firm of attorneys-at-law you are required to register with CARA as a Designated Non-Financial Business and Profession (“**DNFBP**”).

Please note ‘*firm*’ means, in respect of attorneys-at-law –

- (i) a body corporate, association, partnership, or limited liability partnership of attorneys who are admitted to practice law in the Islands; or

- (ii) an attorney admitted to practice law in the Islands who is in independent practice as a sole proprietor or who provides legal services to an employer other than the Government.

Please note you do not have to register with CARA as an individual attorney-at-law (unless you are a sole practitioner or in-house counsel), only the firm in which you are employed must register.

You also do not have to register with CARA if you are employed as an attorney-at-law by the Cayman Islands Government, a statutory authority, or a government company.

## 5. What is the fee for registration?

CARA has the ability to impose a registration fee as set out in Regulation 55E (1A) of the AMLRs. Any fee imposed under Reg 55E(1A) is subject to approval of Cabinet and published in the Gazette. Presently, we do not charge a fee for registration.

## 6. Can I refuse to register?

Any firm of attorneys-at-law or sole practitioner failing to register as required under the AMLRs may be subject to the DNFBP administrative fines regime set out in the AMLRs.

## 7. How do I register?

If you are a firm or sole practitioner conducting or intending to conduct relevant financial business (as defined under the Proceeds of Crime Act (“POCA”) of the Cayman Islands (as amended), please visit our website, and complete the registration form entitled ‘RFB REGISTRATION FORM’.

Please submit your completed form by email to [info@cara.ky](mailto:info@cara.ky).

## 8. Is my firm/practice conducting ‘Relevant Financial Business’?

Schedule 6 of POCA defines activities falling within the definition of ‘relevant financial business’ (“RFB”).

We draw your attention to paragraph 14 of Schedule 6 which states –

*“14. Financial, estate agency (including real estate agency or real estate brokering), legal and accounting services provided in the course of business relating to —*

*(a) the sale, purchase or mortgage of land or interests in land on behalf of clients or customers;*

*(b) management of client money, securities or other assets;*

*(ba) organization of contributions for the creation, operation, or management of companies;*

*(c) management of bank, savings, or securities accounts; and*

*(d) the creation, operation or management of legal persons or arrangements, and buying and selling of business entities.”*

'Legal services' includes giving legal advice or assistance, preparing a document on behalf of another person, or preparing an instrument governed by law that relates to real, personal or intangible property and or facilitating the carrying out of a transaction.

Please note, Schedule 6 does not refer to any minimum thresholds of activity. If you or your firm offer RFB and or provide RFB even if only to one client or in one instance, no matter how infrequently, you must be registered with CARA and have an AML compliance framework in place.

In our view providing legal advice in relation to any aspect of the 'sale, purchase or mortgage of land or interests in land on behalf of clients' is within scope of RFB. It does not matter if proceeds in relation to the sale, purchase or otherwise do not physically pass through your firm's bank account.

Should you be uncertain whether you (or your firm) are within scope, you will need to register as a DNFBP providing RFB.

**9. What if my firm/practice is not conducting relevant financial business?**

If you have determined that your firm or practice is not conducting and does not intend to conduct relevant financial business, you will still need to register as a DNFBP.

Please visit our website and complete the registration form entitled 'NON-RFB REGISTRATION FORM' and submit the completed form by email to [info@cara.ky](mailto:info@cara.ky).

Please note that CARA may contact you to substantiate that you are not conducting relevant financial business.

**10. I am employed as in-house counsel. Do I still need to register?**

Yes, you will need to register with us.

Please note we define 'in-house counsel' as an attorney-at-law who provides legal services solely to the attorney-at-law's employer (other than government, statutory authority, or government company) or to other entities that are part of the same group of entities as the employer.

You will not need to complete a registration form; however, you will need to contact us by email ([info@cara.ky](mailto:info@cara.ky)) to register. We may ask you additional questions to establish your status.

**11. How long does the registration process take?**

CARA will process completed registration forms on receipt within 5 working days.

**12. Will I receive a certificate of registration?**

CARA does not issue certificates of registration.

A current list of registered firms and sole practitioners conducting relevant financial business is publicly available on our website, please click [here](#).

**13. I don't understand the questions on the registration form. How can you help me?**

Please refer to guidance incorporated as footnotes in the registration form.

Please email [info@cara.ky](mailto:info@cara.ky) if you require further assistance.

**14. How do I know if a firm/practice is registered with CARA?**

In accordance with the AMLRs, CARA has a duty to maintain a register of firms of attorneys-at-law conducting relevant financial business.

The registry is kept up to date and is publicly available on our website, please click [here](#).

If you are in any doubt, please contact us and we will be happy to assist.

**15. Once registered, is there an annual renewal process?**

If your firm or practice is currently registered with CARA as conducting or intending to conduct relevant financial business, there is no requirement to renew at any time.

However, please note ALL registered firms and practices conducting relevant financial business are required to complete and submit an **AML Return** on an annual basis.

Further information about the AML Return process is available on our website ([www.cara.ky](http://www.cara.ky)).

If, on the other hand, you have registered with CARA as a firm/practice not conducting relevant financial business or you are in-house counsel then we will request that you renew your registration by way of an annual self-declaration.

**16. Can I de-register with CARA?**

You should let us know as soon as practicable if:

- You have already registered with us, and your firm or practice is no longer providing or intending to provide relevant financial business.
- Your firm or practice intends to cease trading, merge with and or be acquired by another firm.
- You cease to work as in-house counsel.

Please contact us as soon as possible as we may need to de-register you or your firm/practice.