

Country Guide

Cayman Islands

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Guide To Doing Business: Member Firms Outside the USA

I. The Country At a Glance

A. What languages are spoken?

English

B. What is the exchange rate for the U.S. dollar, the Euro?

The exchange rate between the Cayman Islands dollar and the US dollar is pegged at 1 Cayman dollar to 1.2 United States dollars. As at 16 July 2025, the Euro exchange rate was 1 Cayman dollar to 1.03 Euros.

C. Describe your country's geography, proximity to other countries and climate.

The Cayman Islands are located within the Caribbean Sea south of Cuba and west of Jamaica. They comprise three islands- Grand Cayman, Little Cayman, and Cayman Brac- with a total area of approximately 100 square miles. Of the islands, Grand Cayman is by far the largest and most populous. The climate is tropical.

D. Are there cultural influences or prohibitions on the way business is conducted?

The Cayman Islands is a British Overseas territory and generally follows British business norms.

E. Are there religious influences or prohibitions on the way business is conducted?

No

F. Explain your country's infrastructure. Be sure to explain which cities have airports, railroad systems, ports, and public transportation.

The Cayman Islands has a relatively modern infrastructure, with a generally well maintained road system. Each of the islands has its own airport: that on Little Cayman connects only to the other two Islands, and that on Cayman Brac operates a limited number of international flights to the United States. The principal airport on Grand Cayman offers frequent direct flights to the United States, Canada, Jamaica, Cuba, Central America and the United Kingdom. There is a deepwater port located in George Town, Grand Cayman. Public transport is provided via taxi and minibus services. Given the small size of the jurisdiction, there is no railroad.

G. Explain the communication system.

The Cayman Islands is served by two modern 5G mobile telephone networks, with good coverage and reliability, and two major sub-sea cable connections. A further cable is contemplated to increase resiliency.

H. Describe the public services – i.e. water, electricity, gas. Are they publicly or privately owned?

Water is provided by two private companies, each of which serves a different part of the Islands. Electricity is generated by a monopoly private provider. There is no mains gas service.

II. General Considerations

A. Investment policies

Does the country generally welcome investment? Are there governmental or private agencies devoted to the promotion of investment? The Cayman Islands is encouraging of investment. The government Department of Commerce and Investment, and private sector Cayman Finance are prominent in this regard.

What is the rate of inflation? For Q1 of 2025, the rate of inflation was 1.8%.

Explain any sector exceptions, incentives or restrictions on foreign investment? There are restrictions on the extent to which companies doing business within the Islands can be foreign owned: generally such a business must be majority controlled and owned by Caymanians, although it is possible to secure exemption from this through a licensing process. No restrictions exist in relation to Cayman companies doing business exterior to the Islands. There is also a Special Economic Zone which provides a streamlined corporate regime for business in certain specified sectors.

Describe de facto restrictions on investment, if any, such as bureaucratic discretion. N/A

What are the sizes of the different markets? N/A

What types of businesses are conducted in the country? The primary businesses within the Islands are financial services and tourism.

B. Diplomatic Relations

Explain any established diplomatic relations your country may have. As a British Overseas Territory, responsibility for foreign affairs generally vests in the United Kingdom. However, the Islands are an associate member of both CARICON and UNESCO.

Give addresses, and contact information for the embassies or consulates in your country. There are no embassies within the Cayman Islands. A list of consular representatives is available at www.gov.ky/living/consularrepresentatives

Are there prohibitions or restrictions on certain business dealings with the country?
Certain activities are prohibited, including activities related to gambling.

Explain any travel restrictions to or within the country? N/A

C. Government

Explain your country's election system and schedule. Is there an anticipated change in the present government? The Cayman Islands is a parliamentary democracy, under the oversight of a Governor appointed by the United Kingdom. The parliament comprises 19 members elected on a constituency basis every four years. Government is conducted by a Cabinet of seven members, headed by the Premier, in addition to the Deputy Governor and Attorney General (who are also non-voting members of Parliament). The current government was elected in 2025.

Is the present government stable? Briefly explain your country's political history in the last decade. The current Government remains stable. Political stability has historically been high, notwithstanding that most governments comprise coalitions between different parties and groupings. Power has changed hands periodically between the main political groups on a consistently peaceful basis.

Explain your country's judicial system. Be sure to answer the following questions: Is the judicial system generally perceived to be impartial? Must disputes be resolved in the country? Is there a political method of resolving disputes? Are alternative methods of dispute resolution permitted? How long does it take to resolve disputes? Can foreign judicial decisions be enforced in the country? Can decisions from the country be enforced outside the country? Are there separate tribunals depending upon the subject matter of the case? Are there different legal systems within the country or its political subdivisions? Can the investor choose to be subject to the country's jurisdiction or not? The judicial system is divided between into a Grand Court and Summary Court. The Grand Court deals with more significant disputes and is divided into four divisions- civil, family, admiralty, and financial services- the latter of which handles most complex commercial litigation. Appeals lie to the Cayman Islands Court of Appeal, comprised of senior judges from England & Wales and the Caribbean, and ultimately to the Judicial Committee of the Privy Council, which has materially the same composition as the United Kingdom Supreme Court. The judicial system is impartial and maintains high standards of integrity. There is no political mediation of disputes. Disputes are dealt with relatively promptly, but the length of a case is heavily dependent upon its complexity. An ordinary commercial dispute might be expected to take 2-3 years at first instance. Parties are free to choose the forum for their disputes, including by way of arbitration, and such decisions will generally be respected: judgments from foreign jurisdictions and arbitral awards will usually be enforced, subject to various criteria.

Explain your country's legislative system. Cayman Islands Acts are passed by Parliament, subject to Royal Assent which must be granted by the Governor before legislation can come into force. Regulations and other matters ancillary to existing legislation may be made by the Cabinet. In addition to domestic legislation, legislation from the United Kingdom and international treaties are on occasion extended to the Cayman Islands by way of Order in Council.

D. Environmental Considerations

What is the public/government attitude toward environmental regulation? Environmental regulation is generally seen positively, although there is some conflict with attempts at increased development..

Explain any environmental regulations. There are various environmental regulations in place relating to development, the usage of land/sea, and hazardous industries.

E. Intellectual Property

Describe the law for the protection of intellectual property, including trademarks, copyrights, patents and know-how. Does the country subscribe to international treaties? Describe. Are there substantive prior approvals by national investment boards? What are the notarization requirements? Are there regulatory guidelines for licenses? Are there specific exceptions or requirements relation to a particular product(s)? When are royalties from licenses deemed to be excessive? Do local antitrust or competition laws apply to licenses? What typical agreements do foreign corporations enter into with their wholly owned subsidiaries? We do not practice intellectual property law.

III. Investment Incentives

A. Explain any export incentives or guarantees. Be sure to answer the following questions: Are there tax incentives for exports? If so, are they limited to certain types of products? Is export financing available from government or private sources? If so, what forms of financing or guarantees are available? Is there any governmental insurance for exports? Must a national be a participant in the enterprise in order for the investor to benefit from these incentives? There are no material export incentives. In general the Cayman Islands is an importing economy as there is little manufacturing capacity on the island.

B. Explain any grants, subsidies or funds your country offers foreign investors. Be sure to answer the following questions: Are grants and subsidies restricted by the type of activity? What is the process for obtaining approval for these grants or subsidies? How long does it take to receive approval? Can the investor receive loans from the government or governmental agencies? Must a national be a participant in the enterprise in order for the investor to receive these grants or subsidies? N/A

C. Explain any national tax incentives for foreign investors. Be sure to answer the following questions: Are the incentives restricted by the type of activity? Are the incentives restricted by the duration of the activity? What is the process of application? The Cayman Islands does not levy any corporate or personal taxation.

D. Explain any regional tax incentives open to foreign investors. Be sure to answer the following questions: Are there tax incentives for the investor that exists only in certain regions of the country? Does the investor need to receive approval to be eligible for these incentives? Are the incentives restricted by the type of activity? Are the incentives restricted by the duration of the activity? What does the process of application involve? The Cayman Islands does not levy any corporate or personal taxation.

IV. Financial Facilities

A. Banking/Financial Facilities

What kind of financial institutions exist? Must the investor maintain a bank account in the country? What are the requirements for opening a bank account? What are the restrictions, if any, on the investor's use of the account? What is the type of financial system in the country? How is the banking system structured? Is there a stock market? Can the investor receive bank loans? The Cayman Islands has a large number of retail banks, the majority of which are affiliated with larger pan- Caribbean banking groups. They offer a full range of banking services including deposit and lending. Whilst there is no legal requirement to maintain a local bank account, the vast majority of persons doing business within the islands will do so given the expense of making payments from overseas. There is a local Stock Exchange, although the number of stocks listed is relatively limited and trading volumes are comparatively light. Numerous Cayman Islands companies are listed on the major stock exchanges of other countries.

V. Exchange Controls

A. Business Transactions with Nationals, Residents or Non-Residents

How are nationals, residents and non-residents defined? Are there restrictions on conducting business with nationals, residents or non-residents? Are there reporting requirements? Can the investor receive loans from nationals, residents or non-residents? There are no relevant restrictions in relation to exchange controls or conducting business with non residents.

B. Investment Controls

Are there restrictions on direct investment in the country? Are there restrictions on indirect investments in the country? Must the investor make declarations regarding the nature of his/her investment? There are generally no restrictions on investment in the country, although there are certain rules governing the ownership of companies doing

business within the islands which require either a minimum level of Caymanian participation and control, or the issue of a licence exempting the business from those thresholds.

C. Money Transfer

Is there free determination of exchange rates? Are there restrictions on the transfer of money into or out of the country? Are there restrictions on the remittance of profits abroad? Are there reporting requirements? Can hard currency be taken out of the country? There are no restrictions on the import or export of currency or the remittance of funds, but large quantities of cash must be declared. Exchange rates for local currency are pegged to the US dollar.

VI. Import/Export Regulations

A. Customs Regulations

Is the country a member of GATT? Is the country a member of the EEC? Is the country a party to a regional free trade agreement? Does the Customs Department value the goods? How are goods cleared through customs? Are there applicable tariffs? The Cayman Islands is not part of any customs union. Duty is chargeable on most imports into the islands; the rate varies depending on the nature of the good concerned. Values are assessed on the basis of landed cost (ie purchase price plus shipping costs).

B. Exports

Are there restrictions on exports? Are export licenses required? Are there applicable export duties? There are no export duties, and generally exports are unrestricted.

C. Foreign Trade Regulations

Are there foreign trade regulations on the import or export of goods involved in the business? Other than under applicable sanctions regimes, there are no foreign trade regulations.

D. Imports

Are import licenses required? Are there applicable import duties? Are there applicable import quotas? Are there applicable import barriers? Import licenses are required for certain categories of goods (eg pharmaceuticals, liquor, plants). A declaration must be made in respect of all imports. Duty is payable at a rate determined by the nature of the goods, calculated on their landed cost.

E. Manufacturing Requirements

Must the product contain ingredients or components, which are found or produced only in the country? Will the importation of certain component parts be permitted only if they

are to be ultimately incorporated in a final product? There are no relevant manufacturing requirements.

F. Product Labeling

Are there applicable labeling or packaging requirements (e.g. multi-lingual notices, safety warnings, listing of ingredients, etc.)? There are labelling requirements in respect of some types of goods. Generally the Cayman Islands will accept labels in the format required in either the United States or the United Kingdom.

VII. Structures For Doing Business

A. Governmental Participation

Will the government seek to participate in the ownership or operation of the entity (e.g. depending on the type of activity involved)? If so, to what extent? What is the investor's potential liability to partners, investors or others? Are there restrictions on capitalization? What are the investor's tax consequences? (See also Sections XII and XIII)
Government will not generally seek to participate in the ownership or operation of local businesses.

B. Joint Ventures

Are joint ventures permitted? If so, what is the registration or incorporation procedure? How long do these procedures take? What costs and fees are involved? Must a national of the country or a related state, (e.g. the EEC) be a participant, manager or director? What is the investor's potential liability? Are there restrictions on capitalization? What are the investor's tax consequences? Joint ventures are not a separate form of legal entity in the Cayman Islands, although it is not unusual to see them conducted through the vehicle of a Cayman Islands company. There are no specific requirements imposed simply because a company reflects a joint venture, and no domestic tax consequences.

C. Limited Liability Companies

Are limited liability companies permitted? If so, how are they registered or incorporated? How long do these procedures take? What costs and fees are involved? Must a national of the country or a related state be a participant, manager or director? Are there restrictions on capitalization? What are the investor's tax consequences? There are a number of forms of limited liability company in the Cayman Islands; exempted companies are typically used where the bulk of business is conducted exterior to the islands, ordinary companies are used for certain types of company trading within the islands, and LLCs are permitted for some purposes pursuant to the provisions of the Limited Liability Company Act. The precise rules governing each form of company, and the cost of setup will vary depending upon the nature of what is required. There are no

domestic tax consequences in respect of any such entity given that the Cayman Islands does not impose any direct personal or corporate taxation.

D. Liability Companies, Unlimited

What are the forms of liability companies? How are these companies registered or incorporated? How long do these procedures take? What costs and fees are involved? Must a national of the country be a participant, manager or director? Whilst it is possible to incorporate a company in the Cayman Islands with unlimited liability, such entities are not commonly used.

E. Partnerships, General or Limited

Are partnerships recognized or permitted? Must a national of the country or related state be a partner? If so, to what extent? What costs and fees are involved? What is the investor's potential liability? What are the investor's tax consequences? Partnerships are recognised in the Cayman Islands. There are a number of different formats including general partnership, limited liability partnership, and exempted limited partnership. Each of these models is adapted to particular scenarios go back, and the cost of setup and the potential exposure of partners varies between them. There are no domestic tax consequences given that the Cayman Islands does not impose any direct personal or corporate taxation.

F. Partnerships, Undisclosed

Do undisclosed partnerships exist? If so, how are they formed? What costs and fees are involved? Must a national of the country or a related state be a participant, manager or director? What is the investor's potential liability? What are the investor's tax consequences? Undisclosed partnerships are not permitted in the Cayman Islands.

G. Sole Proprietorships

Can the investor be a sole proprietor? How is the sole proprietorship registered or established? How long does this process take? What costs and fees are involved? What is the investor's potential liability? Are there restrictions on capitalization? What are the investor's tax consequences? Sole proprietorships are permitted in the Cayman Islands and will not generally require any registration beyond a basic trade and business licence. However, in respect of a business trading within the islands, it will almost invariably be necessary that the sole proprietor be Caymanian. In the case of a true sole proprietorship, liability will be unlimited. There are no domestic tax consequences given that the Cayman Islands does not impose any direct personal or corporate taxation.

H. Subsidiaries/Branches/Representative Offices

Can the investor establish a branch, subsidiary or representative office? If so, how long does registration or incorporation take? What costs and fees are involved? What is the investor's potential liability? Must a national of the country be a participant, manager or director? Are there restrictions on capitalization? What are the investor's tax consequences? Are these tax consequences different than those of a local company? It is possible to establish corporate subsidiaries and branch offices in appropriate circumstances. The cost and liability exposure of doing so will vary depending on the precise nature of what is proposed. There are generally no requirements for Caymanian participation where the business is principally conducted outside of the islands, and no local tax consequences.

I. Trusts and other Fiduciary Entities

Are trusts or other fiduciary entities recognized? If so, how are each defined? What are the legal consequences of a transfer of assets to a trust or fiduciary? Can the investor be the grantor, trustee or beneficiary? The Cayman Islands recognises the existence of trusts, and generally follows the principles of English trusts law. Where assets are transferred to a trustee, the legal title in those assets will be held by the trustee upon the terms of the trust. The question of whether any given individual can be grantor, trustee, or beneficiary, will vary depending upon the precise factual scenario.

VIII. Requirements For The Establishment Of A Business

A. Alien Business Law

Is the business subject to any alien business law? Are there registrations or reporting requirements? Where a business proposes to trade with customers located within the Cayman Islands there are certain local ownership and control provisions which apply, albeit these can be waived in appropriate circumstances by the grant of a particular form of licence. For businesses domiciled within the Cayman Islands but trading elsewhere there are no relevant alien business law considerations.

B. Antitrust Laws

Do the entity's operations comply with anti-trust laws? Are there filing requirements? There are no domestic antitrust laws or filing requirements in the Cayman Islands.

C. Environmental Regulations

Is the business of the investor subject to environmental regulation? If so, are there added costs involved (e.g. audit requirements)? Most businesses in the Cayman Islands are not subject to detailed environmental regulation.

D. Government Approvals

Are government approvals required for the anticipated business? If so, how long does this process take? What fees are involved? Whether or not government approvals are required for any given business will depend both on the nature of the business concerned, and whether it is proposed to do business within the territory of the Cayman Islands.

E. Insurance

Must the enterprise carry insurance? If so, what kind of risks must be insured? Is there a state monopoly on insurance? There is no mandatory requirement in respect of insurance for most businesses. To the extent that insurance is required or desired, there are a substantial number of private sector insurance businesses offering coverage within the Cayman Islands.

F. Licenses/Permits

Are licenses or permits required for the anticipated activity? If so, how does the investor apply for and receive the necessary license or permit? How long does it take to receive the license or permit? Whether or not licences and permits are required will depend on the nature of the business concerned, and whether it is proposed to do business within the territory of the Cayman Islands. The application process and cost vary significantly depending on the nature of the licence concerned; if all that is required is a simple business permit then the time scale will generally be limited, whereas a company proposing to do regulated business in the financial sector will need to submit a detailed application for scrutiny which may take a substantial period of time to process. By the same token, the cost of licences varies significantly depending on the sector concerned.

IX. Operation Of The Business

A. Advertising

Are there restrictions on advertising? No

B. Attorneys

Is it necessary to have local counsel? How can local counsel be found? How much are attorneys fees? Local counsel is generally recommended. There are a number of large full service legal firms within the jurisdiction who are easily located. Fees vary depending on the nature of the work and seniority of attorneys concerned.

C. Bookkeeping Requirements

Must the investor keep local books of accounts? In what form must the investor keep accounts (e.g. GAP, in what language, etc.)? Most unregulated businesses are not obliged to keep or file accounts, although do as a matter of best practice.

D. Business Ethics/Codes

Are there certain business ethics or codes, which the investor must follow (e.g. GAAP for accountants, etc.)? Certain professions, including accountancy and legal services, maintain codes of conduct.

E. Consumer Protection Laws

Are there consumer protection laws, which apply to the investor's operations? No

F. Construction

What are the costs of construction? Are permits required for construction? How is authorization to construct obtained? How long does it take to receive authorization? What fees are involved? There is a detailed system of permitting for construction. The Islands are generally pro-development and the authorization process is fairly streamlined; however, the time and fees involved are heavily contingent upon the nature and complexity of the project.

G. Contracts

Can the investor freely enter into local contracts? Can the law of another country govern the contracts? Yes

H. Price Controls

Are there applicable price controls? No

I. Product Registration

Must the entity register its product? If so, how is registration obtained? How long does the process take? Are there fees involved? There is no product registration system.

J. Reductions or Return on Capital

Can capital be repatriated while the corporation is still ongoing? In some situations yes, although this will be fact sensitive

K. Sale of Goods

Are there restrictions on the manner, time or place of sale of goods? There are restrictions on certain types of goods including tobacco and alcohol.

L. Trade Associations

Are there trade associations the investor can or must join? If so, are there fees involved? Are there mandatory trade practices? There are a number of trade associations, membership of most of which are voluntary. They generally levy fees and specify trade practices for their members.

X. Cessation Or Termination Of Business

A. Termination

What are the tax consequences of terminating the business? What costs are involved in termination? How long does it take to terminate the business? How is the investor's particular form of business treated in termination? Can the business be terminated without government approval or intervention? What are the obligations toward creditors, employees and others upon termination? What are the tax consequences of termination? The Cayman Islands does not levy any corporate or personal taxation. The cost, duration, obligations, and approvals required in a termination of business are highly situation sensitive and cannot be stated generically.

B. Insolvency/Bankruptcy

What is the extent of the investor's liability in the event of insolvency or bankruptcy? What choices, if any, are available to the investor with regard to the restructuring of the business? Generally liability will be limited to the assets of the insolvent entity other than in cases of fraud or misconduct

XI. Labor Legislation, Relation, And Supply

A. Employer/Employee Relations

What laws govern employer/employee relations? Are there obligations to train employees? Employment is principally governed by the terms of the Labour Act. There is a de facto obligation to provide reasonable training to new employees.

B. Employment Regulations

Must the investor hire nationals of the country? Is there a minimum wage? Is there a maximum number of hours an employee can work each week? Is there a minimum number of vacation and sick days to be given? Businesses are generally expected to hire Caymanians where qualified candidates exist. There is however no formal quota scheme. There is a minimum wage which is currently CI\$6 per hour, increasing to CI\$8.75 effective 1 Jan 2026.

C. Hiring and Firing Requirements

Must the investor employ a minimum number of people? Must the investor employ a minimum number of nationals? Must nationals hold certain positions in the company? Are there rules to follow in hiring/dismissing personnel (e.g. notice)? Does the investor have a continuing obligation towards dismissed employees? There is no minimum number of employees or requirement that nationals hold particular posts. However, it will only be possible to hire from overseas where it can be shown that there is no qualified and suitable local candidate. The recruitment of employees and termination

governed by the terms of the Immigration Transition Act and the Labour Act. Other than the payment of certain statutory entitlements upon termination and the maintenance of medical cover for a short period of time at the employees own expense, there are no ongoing obligations to terminated employees.

D. Labor Availability

Is adequate skilled or unskilled labor available for the anticipated business? There is a reasonable supply of labour within the Cayman Islands, as a although comparatively small jurisdiction it is common for employees to also be sourced from abroad.

E. Labor Permits

Are labor permits required? If so, how are they obtained? How long does the process take? What fees are involved? Work permits are required for all employees who are not Caymanian, or do not hold permanent residency within the islands. They are obtained by application to government in advance of the commencement of employment, supported by a relatively comprehensive suite of documentation. Temporary work permits can be obtained in fairly short order, a matter of days following submission, but the grant of a full work permit is a more lengthy process which can take a number of months. The fee payable varies widely depending on the nature of the role in question.

F. Safety Standards

Are there safety codes that must be followed? Employers are under a general duty to ensure the health, safety, and welfare of their employees whilst at work. Certain industries, such as construction are subject to more detailed regulations in this regard.

G. Unions

Are unions recognized? What are the unions in the investor's business? What are these unions' political affiliations, if any? Is there an obligation on the part of the employer to organize unions? Are there mandatory collective bargaining agreements for the business involved? Although unions are permitted within the Cayman Islands, at present no industries are unionised in the private sector.

XII. Tax On Corporations

A. Allowances

What are the major allowances (e.g. capital cost depreciation)? What are the major deductible items? What are the major expenses that are excluded from deductibility? The Cayman Islands does not impose any direct corporate taxation.

B. Calculation of Taxes

How is the taxable base determined? The Cayman Islands does not impose any direct corporate taxation.

C. Capital Gains

What are the federal or national tax rates on capital gains? What are the regional or state taxes on capital gains? What are the municipal or local taxes on capital gains? The Cayman Islands does not impose any direct corporate taxation.

D. Filing and Payment Requirements

When must the corporation file its tax return, if any? When must the corporation pay its taxes? Are taxes paid in installments or annually? The Cayman Islands does not impose any direct corporate taxation.

E. Miscellaneous Taxes Due

Is there a tax on capital? Is there a business license tax? Is there an apprenticeship tax? Is there a training tax? Are there other taxes? What are the filing and payment requirements? The Cayman Islands does not impose any direct corporate taxation.

F. Registration Duties

Are there registration duties due upon the incorporation of a company? Are there registration duties due upon an increase in capital? Are there registration duties due upon the transfer of the company's shares? Are there registration duties due upon a transfer of corporate assets? Are there any other registration duties due? The incorporation of a company, and various other corporate actions, do incur certain government fees and duties. These are amended from time to time, and vary depending on the nature of the relevant action.

G. Sales Tax or other Turnover Tax

What is the system of sales tax (e.g. V.A.T., cumulative)? Is input tax creditable against output tax? What are the tax rates? What are the filing and payment requirements? The Cayman Islands do not impose any sales tax or VAT.

H. Social Security and Welfare System Contributions

Are social security contributions due? Are retirement or pension contributions due? Are unemployment insurance contributions due? What are the filing and payment requirements for any such contribution? Employers are obliged to provide mandatory pension and health coverage for employees. The minimum level of contributions and coverage respectively are defined in the applicable legislation, and are amended from time to time.

I. Special Tax Schemes

Are there particular tax consequences of doing business in the country? There are no relevant tax consequences as the Cayman Islands does not impose any direct taxation.

J. Tax on Profits

What are the federal or national income tax rates on profits? What are the regional or state tax rates on profits? What are the municipal or local tax rates on profits? The Cayman Islands does not impose any direct corporate taxation.

K. Tax Treaties

Are there any applicable tax treaties? Are there any rules against treaty-shopping? The Cayman Islands have signed a number of tax information exchange treaties with other jurisdictions, whereby requests can be made for the provision of information which may be relevant to tax liabilities overseas. Requests are frequently made under such treaties and are complied with.

L. Territoriality Rules

Where is the corporation subject to tax? Is the corporation subject to tax on its worldwide income? The Cayman Islands does not impose any direct corporate taxation.

M. Treatment of Tax Losses

How are corporate tax losses treated? The Cayman Islands does not impose any direct corporate taxation.

N. Wealth Tax

Is there an applicable wealth tax? The Cayman Islands does not impose any direct corporate taxation.

O. Withholding Taxes

What are the rates of withholding tax on dividends? What are the rates of withholding tax on royalties? What are the rates of withholding tax on interest? What are the rates of withholding tax on profits realized by a foreign corporation? The Cayman Islands does not impose any direct corporate taxation.

XIII. Tax On Individuals

A. Allowances

What are the major allowances? The Cayman Islands does not levy any personal or corporate taxation.

B. Calculation of Taxes

How is the taxable base determined? The Cayman Islands does not levy any personal or corporate taxation.

C. Capital Gains Tax

Are capital gains taxable? The Cayman Islands does not levy any personal or corporate taxation.

D. Filing and Payment Requirements

When must the individual file a tax return, if any? When must the individual pay his/her taxes? The Cayman Islands does not levy any personal or corporate taxation.

E. Inheritance and Gift Tax

Does the individuals' presence in the country subject him/her to inheritance or gift tax? What kinds of assets are subject to tax? What are the tax rates? Are allowances available? What are the payment and filing requirements? The Cayman Islands does not levy any personal or corporate taxation.

F. Miscellaneous Taxes Due

What are the miscellaneous taxes to which the individual may be subject? What are the filing and payment requirements? The Cayman Islands does not levy any personal or corporate taxation.

G. Real Estate/Habitation Tax

Is the individual subject to real estate or habitation tax? The Cayman Islands does not levy any personal or corporate taxation.

H. Sales Tax

Does the individual pay sales tax? There is no sales tax in the Cayman Islands

I. Social Security and Welfare System Contributions

Are contributions to social security due? Are contributions to the welfare system due? If so, what are the payment and filing requirements? All employees and employers are required to contribute to a mandatory pension scheme. The minimum contribution rate is 10% of salary up to CI\$87,000 per year, of which at least half must be paid by the employer.

J. Stock Option, Profit Sharing and Savings Plans

Is there taxation of stock option plans? Is there taxation of profit sharing plans? Is there taxation of savings plans? The Cayman Islands does not levy any personal or corporate taxation.

K. Taxation of Benefits in Kind

What is the rate of taxation on benefits in kind (e.g. automobile, housing and utilities, education, etc.)? The Cayman Islands does not levy any personal or corporate taxation.

L. Taxes on Dividends

Are dividends taxable regardless of their form? The Cayman Islands does not levy any personal or corporate taxation.

M. Tax on Income

What are the federal or national tax rates on income for residents? What are the federal or national tax rates on income for non-residents? What are the regional or state tax rates on income for residents? What are the regional or state tax rates on income for non-residents? What are the municipal or local tax rates on income for residents? What are the municipal or local tax rates on income for non-residents? The Cayman Islands does not levy any personal or corporate taxation.

N. Tax Treaties

Are there any applicable tax treaties? Are there any rules against treaty-shopping? The Cayman Islands have signed a number of tax information exchange treaties with other jurisdictions, whereby requests can be made for the provision of information which may be relevant to tax liabilities overseas. Requests are frequently made under such treaties and are complied with.

O. Territoriality Rules

Where is the individual subject to tax? Is the individual subject to tax on his/her worldwide income? The Cayman Islands does not levy any personal or corporate taxation.

P. Wealth Tax

Is the individual subject to tax based upon his/her wealth? If so, what are the rates? Are there any allowances available? What are the payment and filing requirements? The Cayman Islands does not levy any personal or corporate taxation.

Q. Withholding Tax

Is salary subject to a withholding tax at the source? What is the treatment of residents as compared to non-residents? The Cayman Islands does not levy any personal or corporate taxation.

XIV. Tax On Other Legal Bodies

A. Allowances

What are the major allowances (e.g. capital cost depreciation)? What are the major deductible items? What are the major expenses that are excluded from deductibility? The Cayman Islands does not levy any personal or corporate taxation.

B. Calculation of Taxes

How is the taxable base determined? The Cayman Islands does not levy any personal or corporate taxation.

C. Capital Gains

What are the federal or national tax rates on capital gains? What are the regional or state taxes on capital gains? What are the municipal or local taxes on capital gains? The Cayman Islands does not levy any personal or corporate taxation.

D. Filing and Payment Requirements

When must the entity file a tax return, if any? When must the entity pay its taxes? Are taxes paid in installments or annually? The Cayman Islands does not levy any personal or corporate taxation.

E. Miscellaneous Taxes

Are other taxes due? What are the filing and payment requirements? The Cayman Islands does not levy any personal or corporate taxation.

F. Registration Duties

Are there registration duties or fees due upon the setting up of the legal body? Are there registration duties or fees due upon a change in the capital of the legal body? Are there registration duties due upon the transfer of capital? Are there registration duties due upon a transfer of assets? Are there any other registration duties due? The incorporation of a company, and various other corporate actions, incurs certain government fees and duties. These are amended from time to time, and vary depending on the nature of the relevant action.

G. Sales Tax or other Turnover Tax

Is the legal body subject to sales tax or any other turnover tax (e.g. VAT., cumulative)? Is input tax creditable against output tax? What are the tax rates? What are the filing and payment requirements? There is no sales tax in the Cayman Islands

H. Social Security and Welfare System Contributions

Are social security contributions due? Are retirement or pension contributions due? Are unemployment insurance contributions due? What are the filing and payment requirements for any such contribution? All employees and employers are required to

contribute to a mandatory pension scheme. The minimum contribution rate is 10% of salary up to CI\$87,000 per year, of which at least half must be paid by the employer.

I. Special Tax Themes

Are there particular tax consequences of doing business in the country under the form of the particular legal body? The Cayman Islands does not levy any personal or corporate taxation.

J. Tax on Profits

What are the federal or national income tax rates on profits? What are the regional or state tax rates on profits? What are the municipal or local tax rates on profits? The Cayman Islands does not levy any personal or corporate taxation.

K. Tax Treaties

Are there any applicable tax treaties? Are there any rules against treaty-shopping? The Cayman Islands have signed a number of tax information exchange treaties with other jurisdictions, whereby requests can be made for the provision of information which may be relevant to tax liabilities overseas. Requests are frequently made under such treaties and are complied with.

L. Territoriality Rules

Where is the legal body subject to tax? Is the legal body subject to tax on its worldwide income? The Cayman Islands does not levy any personal or corporate taxation.

M. Treatment of Tax Losses

How are tax losses treated? The Cayman Islands does not levy any personal or corporate taxation.

N. Wealth Tax

Is there an applicable wealth tax? The Cayman Islands does not levy any personal or corporate taxation.

O. Withholding Taxes

What are the rates of withholding tax on the legal body's activities? The Cayman Islands does not levy any personal or corporate taxation.

XV. General Tax Considerations

A. Taxes Generally

Is there a generally accepted way of structuring the company or other entity so as to insure the desired tax consequences? Is there an advance tax ruling that can be used

to validate or invalidate the chosen form of doing business? Is there a general anti-tax avoidance system? Can the chosen form of business be treated as a deferent form for tax purposes? There are no local tax structure and considerations in the Cayman Islands, given the absence of personal and corporate taxation. These will invariably be matters for other jurisdictions in respect of which companies or bodies may have links and liability for tax.

XV. Immigration Requirements

A. Immigration Controls

Are there immigration quotas? Are vaccinations required? Are medical certificates required? Are entry permits required? If so, must you apply for an entry permit before entering the country? Are exit permits required? Are re-entry permits required? There are no immigration quotas, however it will generally be necessary to obtain a work permit for any person wishing to come to the island in order to engage in employment. Vaccinations are not presently required, but it is necessary for a prospective worker to demonstrate they are in good health and produce a detailed medical report, In addition to proof of a clean criminal record. Permits must be applied for before coming to the jurisdiction. There is no need for an exit permit; the grant of a work permit will enable a worker to enter and leave the jurisdiction at will during its currency.

B. Immigration Requirements/Formalities

Is a residence permit required? If so, does the investor have to apply for one before entering the country? What information must be supplied to the immigration authorities? How long does it take to receive authorization? It is possible to obtain a residency permit. On various grounds, including investment in local businesses and the purchase of valuable local property. That will generally require application before entering the country on a permanent basis, and requires various documents including proof of resource is, a criminal record check, and health check. There is no prescribed timeline for the grant of authorization but most applications are processed within a matter of a few months.

C. Visas

Is a visa required for travel or stay in the country? If so, for how long is the visa valid? How does the investor apply for a visa? What documents are required? How long does it take to receive a visa? What fees are involved? Nationals of certain states are required to obtain visas, but many are exempt. Visas must be applied for to the immigration authorities in advance of travel. The processing time and duration of the visa will generally be contingent upon the reason for travel and nationality of the traveller in question. Certain short term visas permitting travel for a few days are

available to cover travel for business purposes which would not ordinarily be permitted under the terms of a tourist entry.

XVI. Expatriate Employees

A. Cost of Living and Immigration

How does the cost of living in a foreign country affect expatriate employees? The answer is not always straightforward. While some companies choose to cover all expenses related to an expat's relocation, others may only cover certain costs or provide a fixed allowance.

In addition to covering housing and transportation costs, it is common for companies to also cover visa and immigration fees for their expat employees. This can be a significant expense, especially if the employee is bringing their family along with them.

B. Cultural Considerations

Another important factor to consider when sending expats abroad is the cultural differences between the home country and the host country. These differences can range from social norms and customs to business practices and communication styles.

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XVIII. Expatriate Employees

A. Cost of Living and Immigration

How does the cost of living compare to that in the investor's home country? What is the rate of inflation? The cost of living in the Cayman Islands is high by international standards. Inflation during Q1 of 2025 was 1.8%.

B. Drivers' Licenses

Must the investor obtain a driver's license for that country? How does the investor obtain a driver's license? What fees are involved? Is an examination, either practical or written, required? The nationals of certain countries are able to obtain a Cayman Islands driving licence on the basis of their existing permission to drive from their home state. Where there is no reciprocal arrangement in place, it is necessary to undertake both a practical and a theory test to obtain a local licence. The fees payable are prescribed by the government and vary from time to time.

C. Education

What types of schools are available for the investor's family? What fees are involved? What is required for enrollment? Can the investor or company receive a tax benefit? Expatriate employees are currently not eligible to use government schools on the island, but there are a wide variety of private options at all levels. Tuition fees vary depending on the school and level concerned. There are no tax benefits as there is no local taxation.

D. Housing

What type of housing is available for the investor? Can the investor own property? Must the investor have housing before entering the country? Can the investor subsidize

housing and receive a tax benefit? A wide variety of rental and owned property is available of all types. Investors are permitted to own property, but need not do so before entering the country. There are no tax benefits as there is no local taxation.

E. Importing Personal Possessions

How can the investor import personal belongings? Are import duties payable? Are there requirements for clearing the belongings through customs? New arrivals to the island are able to import a reasonable quantity of personal effects duty free. Thereafter, any imports will be subject to import duty at the applicable rate for the nature of goods in question. All goods that are not brought in personal baggage must be cleared through customs; this process will generally be handled by a specialist customs broker.

F. Medical Care

What level of medical care is available? Is there national health care? The Cayman Islands have a number of hospitals offering a high standard of care and expertise, although specialist treatments are not available on island. There is no national health care although the Government does operate a hospital; treatment is privately funded and medical insurance is mandatory.

G. Moving Costs

What costs are involved in moving? Can the investor receive any tax allowances? The main costs of moving are those associated with securing accommodation and transport, the cost of which is comparatively high in the Cayman Islands. There are no applicable tax allowances as the Cayman Islands does not impose any personal or corporate taxation.

H. Tax Liability

What is the expatriate's tax liability? (See also Section XIII) What are the allowances? Are there any applicable tax treaties? An expatriate does not have any local tax liability in the Cayman Islands as no corporate or personal taxation is imposed. However, they may retain a liability in their home state depending on the relevant treatment of overseas earnings.

I. Work Contracts

Does the investor need a work contract to work in the country? If so, does the contract have to be for a certain duration, for the performance of a specific job or for a specific position? Does the contract have to be with a national or resident of the country or related state? Generally, persons coming to the Cayman Islands are not permitted to be self-employed and must have a contract with an employer. There are no specific requirements as to the duration of the contract, but it must be in a specified role as this

will be reflected in the applicable work permit. It is not permitted to work in any role other than that specified in the permit. In order to obtain a work permit for a prospective employee an employer will need to have some local presence, generally including being locally licenced. At present there are limited mechanisms available for persons to come to the Cayman Islands on a semi permanent or permanent basis whilst working for overseas employers.

J. Work Permits

Does the investor need a work permit to work in the country? How and where does the investor apply for the permit? What documents are required? What fees are involved? How long does it take to receive the permit? For how long is the permit valid? Unless an investor is able to meet the financial thresholds necessary to obtain residency by investment (and successfully apply for the right to work to be attached to such grant), they will be required to obtain a work permit, which must be applied for by an appropriately licenced local business. Any application in this regard requires a relatively full suite of documents, including medical and criminal record checks, and proof of any relevant qualifications. Applications for work permits can take approximately 3 months to process, and will attract a fee which varies depending upon the nature of the employment concerned. Permits are generally granted for between two and three years, with an annual fee payable. They may be renewed subject to an overall term limit of eight years. In order to remain beyond this time frame, it is necessary for the individual to apply for and obtain a grant of permanent residency. These are determined with reference to a points based set of criteria.