

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

CAYMAN ISLANDS

America Caribbean

Dialogue | Trust | Partnership

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
George Town (capital & financial district)	Global financial-services capital hosting the bulk of the islands' 31,000+ registered funds, banks, trust companies and law firms; seat of government	Fund administration, banking, trust/fiduciary services, legal and professional services
Seven Mile Beach corridor (Grand Cayman)	Premier luxury resort and residential real estate strip, Cayman's flagship tourism and high-end property market	Luxury hospitality, high-end residential real estate, condo-hotel development
Camana Bay (planned town, Grand Cayman)	Master-planned mixed-use commercial, residential and retail development adjacent to George Town, reflecting Cayman's urban-growth model	Mixed-use commercial real estate, retail, office development
Owen Roberts International Airport corridor	Primary air gateway supporting both financial-services business travel and leisure tourism	Aviation services, business-travel infrastructure, logistics
George Town Harbour (cruise anchorage)	Site of the rejected cruise berthing infrastructure referendum (April 2025); cruise ships continue to tender passengers ashore rather than dock at a fixed pier	Tendered cruise-tourism services, harbor logistics - fixed-pier development currently off the table
Cayman Brac & Little Cayman (Sister Islands)	Smaller, quieter islands offering boutique tourism and diving-centered development distinct from Grand Cayman's financial-services concentration	Boutique/eco-tourism, dive-tourism services, small-scale hospitality
Regulatory/fintech corridor (George Town)	Home to the Cayman Islands Monetary Authority and a fast-growing tokenized-fund and digital-asset registration base (12 tokenized funds registered as of mid-2026 under the new VASP-linked framework)	Fintech, digital-asset fund structuring, RegTech, compliance services

INVESTOR ENTRY ROUTES

- CAYMAN ISLANDS MONETARY AUTHORITY (CIMA) LICENSING: The statutory gateway for mutual funds, private funds, banks, trust companies, insurers and virtual-asset service providers (VASPs)
- DEPARTMENT OF COMMERCE AND INVESTMENT / INVEST CAYMAN: The government's principal investment-facilitation and business-licensing coordination point
- EXEMPTED COMPANY / EXEMPTED LIMITED PARTNERSHIP STRUCTURES UNDER THE COMPANIES ACT AND EXEMPTED LIMITED PARTNERSHIP ACT: The standard, globally recognized vehicles for international fund and holding structures
- TOKENIZED AND VIRTUAL-ASSET FUND REGISTRATION: A newly codified pathway (effective March 2026) under amended Mutual Funds Act, Private Funds Act and Virtual Asset (Service Providers) Act provisions
- CAYMAN ISLANDS STOCK EXCHANGE (CSX) LISTING: A recognized listing venue for funds, debt instruments and specialty-finance vehicles
- PERMANENT RESIDENCY / RESIDENCY CERTIFICATE FOR PERSONS OF INDEPENDENT MEANS: Investment-linked residency pathways supporting real estate and private-wealth relocation

MARKET-ENTRY OBSERVATION

The Cayman Islands enters this guide as the Caribbean's preeminent global financial-services domicile, built on deep institutional credibility rather than any single growth narrative. Fund registrations climbed past 31,000 by mid-2026, adding 547 net new funds in the first half alone - already surpassing all of 2025's growth - with private funds up 43% since 2020 and a fast-emerging tokenized-fund niche (12 tokenized vehicles registered, including Fidelity International's USD Digital Liquidity Fund) following a new statutory framework that took effect in March 2026. Public finances are equally strong: the government posted a CI\$252.3 million mid-year surplus through June 2026, ahead of budget, with cash reserves (CI\$588.9 million) comfortably exceeding total outstanding debt (about CI\$479 million) - a fiscal position few jurisdictions in this guide can match. This follows Cayman's successful 2023 removal from the EU and FATF anti-money-laundering 'grey lists,' which eliminated a multi-year reputational overhang on the financial-services sector.

Politically, the April 2025 general election produced a fractured 19-seat Parliament with no party near a majority; within 24 hours, two new parties - the Caymanian Community Party and the Cayman Islands National Party - formed a coalition with three independents under Premier Andre Ebanks, holding an 11-seat majority that observers have called fragile given its single-seat buffer. The same election delivered a clear advisory signal on tourism infrastructure: voters rejected a proposed cruise berthing (fixed pier) facility by nearly two-to-one, a outcome the new government has said it will honor, leaving Cayman's cruise sector dependent on tendering amid already-declining cruise arrivals since 2022. None of this threatens the core financial-services investment case, but it does shape the near-term tourism-infrastructure and political-risk picture investors should factor in.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Fragile one-seat coalition government	The National Coalition For Caymanians governs with an 11-of-19-seat majority formed within 24 hours of an inconclusive April 2025 election, leaving limited room for defections or by-election losses	Monitor Legislative Assembly developments and coalition cohesion before underwriting multi-year policy-dependent projects
Cruise berthing referendum rejection	Voters rejected fixed cruise-pier infrastructure by a 64.5%-to-28.8% margin in April 2025; the government has committed to honoring the result, leaving cruise tourism dependent on tendering amid falling cruise arrivals since 2022	Do not underwrite cruise-tourism-dependent real estate or retail projects on an assumed future fixed-pier development; focus tourism investment on overnight/stopover visitors instead
Concentration risk in financial services	Cayman's own Governor has publicly flagged that heavy reliance on a few highly visible sectors (financial services chief among them) means a single reputational or cyber incident could have outsized jurisdiction-wide consequences	Engage CIMA-licensed counterparties with strong cybersecurity and compliance track records; budget for robust operational-resilience standards expected of Cayman-domiciled entities
Rising property-transaction costs	Stamp duty on land transfers rose from 7.5% to 10% in January 2026, directly increasing the cost of real estate and land-holding-company transactions	Factor the higher stamp-duty rate into real estate underwriting and consider land-holding-company share-transfer structures where appropriate, noting these also now carry higher charges
High cost of living and doing business	As with other premier offshore financial centers, Cayman's small scale and import dependence make it an expensive jurisdiction for labor, real estate and daily operations	Size ventures for an internationally-oriented financial-services or high-end tourism client base rather than a mass-market domestic one
Hurricane and climate exposure	As a low-lying Caribbean island group, Cayman faces recurring hurricane risk; the Chamber of Commerce has explicitly linked climate resilience to long-term economic sustainability	Build storm-resilient design and comprehensive insurance into any physical real estate or infrastructure investment
Quality-of-life pressures on workforce retention	Officials have flagged traffic congestion, road safety and crime as emerging factors affecting investor confidence, workforce retention and tourism appeal	Treat as a monitorable social-infrastructure item; factor housing and commuting conditions into talent-recruitment planning for financial-services staffing

INVESTOR RISK NOTE

The Cayman Islands presents one of the lowest-risk, highest-credibility investment environments in this guide, anchored by its post-FATF-greylist-removal financial-services reputation, a fund-registration base still growing faster in 2026 than in all of 2025, and a fiscal position where government cash reserves exceed total debt outright. The two developments worth flagging transparently are political and tourism-specific rather than macroeconomic: a newly formed coalition government holds only a one-seat majority after April 2025's fractured election, and voters have decisively rejected fixed cruise-pier infrastructure, redirecting the tourism conversation toward overnight-visitor and boutique models rather than mass cruise-ship berthing. Neither development threatens Cayman's core

financial-services value proposition, which remains built on regulatory sophistication, CIMA's internationally respected supervision, and deep, durable ties to global capital markets.

MARKET ACCESS

The Cayman Islands dollar is pegged to the US dollar at a fixed, long-standing rate, providing complete currency stability. As a British Overseas Territory, Cayman combines UK constitutional oversight for defense and external affairs with full fiscal and regulatory autonomy, operating one of the world's most internationally integrated offshore financial centers - a jurisdiction of choice for hedge funds, private equity vehicles, structured finance, and increasingly tokenized/digital-asset funds. Cayman's exempted company and limited partnership structures are globally recognized by institutional investors, and the Cayman Islands Stock Exchange provides a respected listing venue for funds and debt instruments.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Cayman Islands Monetary Authority (CIMA)	Integrated financial regulator overseeing funds, banking, insurance, trusts and virtual-asset service providers, central to the jurisdiction's post-grey-list regulatory credibility	The essential regulatory counterpart for any fund registration, banking license or virtual-asset business in Cayman
Department of Commerce and Investment / Invest Cayman	Government body coordinating business licensing and investment facilitation across sectors	Primary first point of contact for non-financial-services market entry and business licensing
Cayman Finance	Industry association representing the financial-services sector in policy engagement and international reputational advocacy	Valuable industry-intelligence and policy-engagement channel for financial-services entrants
Office of the Premier / National Coalition For Caymanians government	Governing coalition under Premier Andre Ebanks, holding an 11-of-19-seat majority and setting the overall economic and tourism-policy direction	Monitor coalition stability and the yet-to-be-delivered Throne Speech legislative agenda for policy-continuity signals
Cayman Islands Stock Exchange (CSX)	Internationally recognized exchange for fund, debt and specialty-finance listings	Relevant listing venue for fund or debt-related capital-markets activity
Ministry of Finance and Economic Development	Administers fiscal policy and the government's strong mid-year surplus position; oversees stamp duty and other transaction-tax policy	Key counterpart for understanding current tax-policy settings, including the January 2026 stamp-duty increase
Cayman Islands Chamber of Commerce	Principal private-sector advocacy body, host of the annual Economic Forum addressing competitiveness, resilience and policy priorities	Useful channel for market intelligence and cross-sector business-community engagement

CURRENT INTERNATIONAL BUSINESS CHANNELS

Formal engagement typically runs through the Cayman Islands Monetary Authority for any regulated financial-services licensing, the Department of Commerce and Investment for broader business facilitation, and Cayman Finance for financial-sector industry engagement and policy intelligence. Cayman's small, deeply professionalized business community means law firms, fund administrators and corporate-services providers in George Town serve as important informal channels, and most sophisticated fund or structured-finance transactions involve both local and international counsel given Cayman's role as a cross-border structuring jurisdiction.

INVESTOR PROFILE BEST SUITED

The best-positioned investors for Cayman are fund sponsors, private equity and hedge fund managers, structured-finance practitioners, and increasingly tokenized/digital-asset fund issuers seeking a globally recognized, CIMA-regulated domicile. High-net-worth individuals and luxury real estate investors drawn to Seven Mile Beach and Camana Bay-type developments are also well suited, particularly given investment-linked residency pathways. Investors should approach cruise-tourism-dependent real estate or retail concepts cautiously given the referendum outcome, and should budget for Cayman's premium cost structure and the January 2026 stamp-duty increase in any property-transaction underwriting.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Engage CIMA early for any regulated activity

Approach the Cayman Islands Monetary Authority at the earliest planning stage for fund, banking, insurance or virtual-asset-business licensing requirements.

STEP 2: Select the appropriate structuring vehicle

Determine whether an exempted company, exempted limited partnership, or tokenized-fund structure under the March 2026 framework best fits the investment thesis.

STEP 3: Factor in the current property-transaction tax environment

Underwrite real estate and land-holding-company transactions using the current 10% stamp duty rate rather than the prior 7.5% rate.

STEP 4: Assess tourism-sector exposure to the referendum outcome

For hospitality or retail investment near George Town Harbour, build planning around continued tender-based cruise access rather than an assumed future fixed-pier facility.

STEP 5: Monitor coalition-government stability

Track Legislative Assembly developments and the National Coalition For Caymanians' cohesion given its one-seat majority before committing to long-dated, policy-sensitive projects.

WAVERLEY'S ROLE

- Structuring advice across exempted company, limited partnership and tokenized-fund vehicles under CIMA's regulatory framework
- Independent monitoring of coalition-government stability and tourism-policy direction following the cruise berthing referendum
- Introductions to vetted fund administration, legal and fiduciary-services counterparties through Cayman Finance and CIMA-licensed networks
- Real estate and property-transaction tax-planning advisory reflecting the current stamp-duty environment

INVESTOR CALL TO ACTION

Waverley Gateway advises investors to treat the Cayman Islands as the Caribbean's premier, deeply credible global financial-services domicile - well suited to fund structuring, tokenized/digital-asset vehicles and high-end real estate investment, while planning hospitality and tourism-linked projects around tendered rather than fixed-pier cruise access and monitoring the governing coalition's one-seat-majority stability.

World-class regulatory credibility + strong fiscal position → fund and fintech structuring opportunity → referendum-aware tourism planning → Waverley-vetted counterparties → durable Cayman Islands market entry

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities center on tokenized and digital-asset fund structuring under the new March 2026 regulatory framework, continued private-fund and mutual-fund registration growth, and luxury real estate development along Seven Mile Beach and Camana Bay. Medium-term opportunities include boutique and overnight-visitor-focused tourism development (as distinct from fixed-pier cruise infrastructure), and continued financial-services-adjacent professional services (legal, fiduciary, compliance/RegTech) growth supporting the expanding fund base.

POSITIONING

The Cayman Islands should be positioned in this guide as the Caribbean's benchmark financial-services jurisdiction: a fund-registration base still accelerating in 2026, a fiscal position with cash reserves exceeding total debt, and a hard-won, now-secure position off the FATF and EU grey lists combine to make it one of the lowest-risk, highest-credibility markets in this entire series.

Waverley's value for clients here is distinguishing genuinely low financial and regulatory risk from the narrower political and tourism-infrastructure questions now in play: a fragile coalition government and a clear voter rejection of fixed cruise-pier development. Neither changes Cayman's fundamental investment case, but both deserve explicit acknowledgment in any tourism- or infrastructure-adjacent investment thesis.

SELECTED SOURCES

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