



Legal Services
Supervisory
Authority



2025 Annual Report

REPORTING PERIOD: 1 JANUARY - 31 DECEMBER 2025

A foundation year for legal-sector AML/CFT/CPF supervision

This Annual Report presents the Legal Services Supervisory Authority's (LSSA) first full account of its establishment, transition arrangements and supervisory activity for the year ended 31 December 2025. It outlines the governance, operational and supervisory foundations put in place during the year and the Authority's priorities as it moves from establishment into full implementation.

67 SUPERVISED FIRMS	41 NON-RFB FIRMS	16 IN-HOUSE COUNSELS REGISTERED	4 SENIOR MANAGEMENT ROLES IN PLACE
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Purpose of this report

The report is designed to provide stakeholders with a clear account of how LSSA was established as the AML/CFT/CPF supervisory authority for the Cayman Islands' legal sector, how the supervised population was transitioned and registered, how the risk-based supervisory framework was developed, and how LSSA began building the cooperation, guidance and enforcement arrangements required to support an effective supervisory regime.

2025 FIRST ANNUAL REPORT

LSSA was incorporated on 2 February 2024 and 2025 marked the first reporting period for this AML/CFT/CPF Annual Report.

CONTENTS

SECTION	PAGE
1 Leadership Messages	4
2 About LSSA	7
3 Vision, Mission and Values	8
4 Governance and Leadership	9
5 Organisational Structure and Capacity Building	11
6 Registration and Supervised Population	12
7 Risk-based Supervision	14
8 Supervisory Monitoring and Inspections	16
9 Enforcement	17
10 Guidance and Outreach	18
11 Cooperation and Strategic Partnerships	19
12 Looking Ahead	20



Stephen Watler

Chairman of the Board of Directors

"2025 was a year of transition, institution building and continuity of supervisory oversight."

On behalf of the Board of Directors of the Legal Services Supervisory Authority (LSSA), I am pleased to present LSSA's first Annual Report on AML/CFT/CPF supervision of the Cayman Islands' legal sector, covering 1 January to 31 December 2025. The report records a significant first year in which the Authority moved from transition planning to the establishment of its governance, leadership and operational foundations.

The transition of AML/CFT/CPF supervision from the Cayman Attorneys Regulation Authority (CARA) and the Cayman Islands Legal Practitioners Association (CILPA) to LSSA was the culmination of several years of collaborative planning led by the Legal Services Council (LSC). The process required sustained coordination among public and professional stakeholders and was completed in an orderly manner, preserving continuity of supervisory oversight while establishing the arrangements for LSSA's independent operations.

The Legal Services Council, chaired by the Honourable Chief Justice, Margaret Ramsay-Hale; the CILPA Council, under the presidency of Mr. Richard Barton; and the CARA Board, chaired by Mr. Lemuel Hurlston, engaged constructively throughout the transition. I am particularly grateful to Ms. Clare Guile for her comprehensive account of CARA's work and recommended next steps, which assisted LSSA in preserving institutional knowledge and continuity.

I also thank Mr. Langston Sibbles KC for his guidance on LSSA's structure and the recruitment of its Head, Ms. Shaná Donovan, who was appointed on 1 April 2025. Mr. Nick Bullmore and the CILPA Council provided valuable input on the transition of service providers and staff from CARA to LSSA, while Ms. Racquel Rankin's transition from CARA was instrumental in maintaining operational continuity. I am also grateful to the Honourable Attorney General, Mr. Samuel Bulgin KC, as a fellow member of the LSC and Chairman of the Anti-Money Laundering Steering Group, and to his office for facilitating the necessary legislative amendments. The support of both the previous and current Governments was also important to the establishment of LSSA's legislative framework.

Following Ms. Rankin's transition from CARA in October 2024, the Board appointed Ms. Shaná Donovan as Head of LSSA in April 2025 to lead the Authority's strategic direction and execute its mandate to supervise the Cayman Islands legal sector for AML/CFT/CPF purposes. Ms. Donovan brought significant experience from her former role as Chief Risk and Policy Officer in CIMA's AML Division and from working with the Caribbean Financial Action Task Force. By the end of 2025, LSSA had recruited a full complement of senior management, including a General Counsel, Head of Enforcement and Head of AML Supervision.

I thank my fellow Board members, Mr. John Meghoo, Mrs. Sophia Harris and Ms. Sandra Edun-Watler, for their dedication, wise counsel and commitment to LSSA's mission. I also recognise the professionalism and diligence

CHAIRMAN'S STATEMENT CONTINUED

4 ROLES SENIOR LEADERSHIP

Head of LSSA, Head of AML Supervision, General Counsel, and Head of Enforcement were in place by 31 December 2025.

of the management team and staff, who built a functioning supervisory authority from the ground up within a compressed establishment period.

I extend my thanks to the Legal Services Council, the Government of the Cayman Islands, industry stakeholders and the legal profession for their support during this formative period. The goodwill and co-operation extended to LSSA have been essential to the Authority's progress and to the continuity of legal-sector AML/CFT/CPF supervision.

I am proud of what has been achieved in this foundation year and confident that LSSA is well positioned, under the continuing leadership of the Board and management team, to contribute meaningfully to the integrity and reputation of the Cayman Islands' legal services sector.



Shaná Donovan

Head of LSSA

"Our 2025 strategic priority was operational readiness, achieved through targeted recruitment, system implementation and critical partnership development."

Over the course of 2025, LSSA made substantial progress in establishing the foundational and operational structure required to discharge its mandate. This included recruitment and capacity building across supervisory, legal, enforcement, operational and administrative functions; development of internal policies, procedures and guidance; and procurement of a risk technology tool to support supervision and regulatory reporting.

The LSSA website and registration regime were developed and launched during the year, including processes designed to address legislative obligations relating to fitness and propriety (F&P) as required by the Anti-Money Laundering Regulations (2025 Revision) (AMLRs).

An important milestone was the public announcement on the delegation of AML supervision from the LSC to the LSSA, pursuant to section 5(3) of the Legal Services Act, 2020 ("the LSA") by the Honourable Chief Justice, in her capacity as Chairperson of the LSC, on 16 September 2025. This was followed by the commencement of registration for firms of attorneys at law in the Cayman Islands.

As the Cayman Islands advanced preparations for the 5th Round CFATF Mutual Evaluation, LSSA prioritised participation in key working groups, including the national risk assessment, the legal persons and arrangements risk assessment and sub-working groups focused on DNFBPs, terrorist financing and proliferation financing. Private sector engagement supported this work and contributed to the development of a more comprehensive understanding of ML/TF/PF risk exposure within the legal sector.

LSSA conducted an outreach on 3 December 2025 to raise awareness of the Authority's role as the newly delegated AML/CFT/CPF supervisor for the legal sector, the upcoming Cayman Islands' CFATF Mutual Evaluation and mandatory registration requirements. In parallel, LSSA cultivated strategic relationships with CILPA, the Office for Strategic Action on Illicit Finance (OSAIF), and other supervisory authorities and agencies, including counterpart DNFBP supervisors, the Cayman Islands Institute of Professional Accountants (CIIPA) and the Department of Commerce and Investment (DCI). The LSSA also began establishing a framework for cohesive working arrangements with the Secretariat of the LSC.

Whilst our strategic priority in 2025 was attaining operational readiness, achieved through targeted recruitment, system implementation and critical partnership development, our overall aim of setting the foundation for an Authority remained focused on building a robust supervisory regime that is risk-based, proportionate and responsive to emerging risks. The foundational work undertaken in 2025 provides the platform for the fuller deployment of LSSA's supervisory, guidance and enforcement functions in 2026.

I am confident that the significant progress achieved in 2025 has laid the groundwork for an effective supervisory framework that supports a well-regulated, sound and progressive legal services sector.

MANDATE AND STATUTORY ROLE

Pursuant to section 5(3) of the Legal Services Act and a written instrument of delegation dated 19 July 2024, the LSC delegated its functions as Supervisory Authority for firms of attorneys at law to the Legal Services Supervisory Authority (LSSA).

19 JULY 2024 DELEGATION INSTRUMENT

The delegation provides the basis for LSSA to act as the AML/CFT/CPF Supervisory Authority for firms of attorneys at law within the scope of the delegated functions.

What LSSA does

LSSA was established to carry out the functions imposed on the Authority under the Proceeds of Crime Act (2025 Revision) (POCA) and to act as a Supervisory Authority in relation to attorneys at law, as delegated by the LSC. In practical terms, its mandate is directed at strengthening compliance with the Cayman Islands' AML/CFT/CPF framework across the legal sector. Its functions include:

- Maintaining a register of firms of attorneys at law within LSSA's supervisory remit.
- Monitoring firms of attorneys at law for compliance with the Anti-Money Laundering Regulations (AMLRs).
- Applying a risk-based approach so supervisory oversight and resources are targeted according to identified ML/TF/PF risks.
- Delivering outreach, guidance and supervisory communications to support understanding of AML/CFT/CPF obligations.
- Applying dissuasive and proportionate enforcement action where necessary and in accordance with the applicable framework.

Reporting period and institutional status

This is LSSA's first AML/CFT/CPF Annual Report since the Authority's incorporation in the Cayman Islands as an Ordinary Resident Limited by Guarantee Company with Limited Liability on 2 February 2024. The reporting period covered is 1 January 2025 to 31 December 2025.

3 VISION, MISSION AND VALUES

Vision

To cultivate a flourishing, stable and well-regulated legal services sector that upholds the highest international standards, ensuring a safe, progressive and credible environment for the Cayman Islands.

Mission

To safeguard the integrity of the Cayman Islands' legal sector whilst upholding its reputation as a leading financial centre and preserving public trust.

Values

EXCELLENCE	Striving for quality and professionalism in supervision, enforcement and service delivery.
COLLABORATION	Working with stakeholders across government, industry and international bodies to protect the Cayman Islands' legal services sector.
INTEGRITY	Acting with honesty and upholding the highest ethical standards in all decisions and actions.
ACCOUNTABILITY	Promoting transparency in LSSA's operations and responsibility for delivering on its mandate.
INDEPENDENCE	Maintaining impartiality and autonomy in the supervisory role, free from undue influence.

BOARD OF DIRECTORS

LSSA is governed by a Board of Directors, which holds ultimate responsibility for the strategic oversight and operational integrity of the Authority. The Board's role is central to ensuring that LSSA's institutional direction, resourcing and supervisory arrangements support the delivery of its delegated mandate.



L-R: John Meghoo, Director; Sophia-Ann Solomon-Harris, Director; Stephen Watler, Chairman of the Board; and Sandra Edun-Watler, Director.

BOARD OVERSIGHT GOVERNANCE FOCUS

Strategic direction, institutional integrity and the effective delivery of LSSA's supervisory mandate.

MANAGEMENT TEAM

By 31 December 2025, LSSA had its core senior management team in place. The appointments provided leadership across the Authority's principal operational pillars: executive direction, supervision, legal support, enforcement, and cooperation.

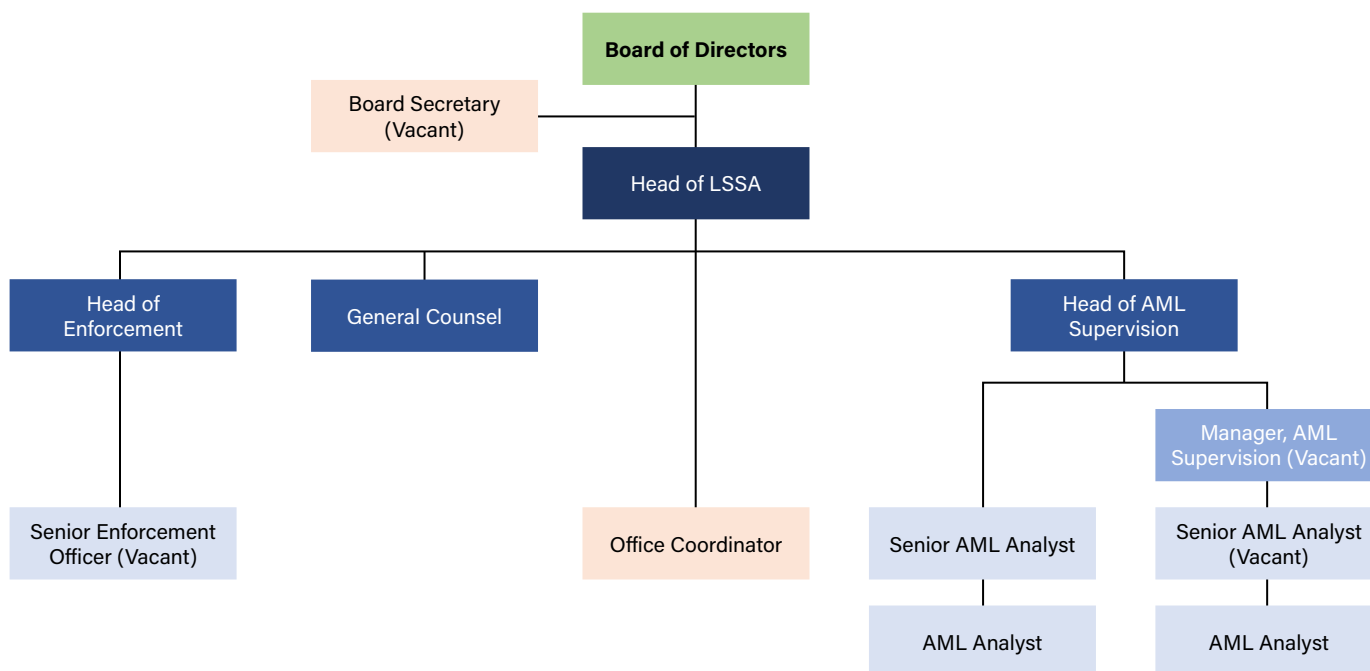
 Shaná Donovan Head of LSSA	 Racquel Rankin Head of AML Supervision	 Casandra Seetahal General Counsel	 Odale Mulgrave Head of Enforcement & MLRO
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Leadership capacity built during 2025

The completion of the senior management structure was a significant establishment milestone. It enabled clearer functional ownership of LSSA's supervisory programme, legal and policy support, internal escalation and enforcement arrangements, while also providing the platform for further staffing and specialist capacity to be developed in 2026.

The management structure also supports the separation and coordination of supervision and enforcement functions. This is important for ensuring that potential compliance concerns identified through supervisory activity can be assessed, escalated and addressed through appropriate processes.

ORGANISATIONAL STRUCTURE AS AT 31 DECEMBER 2025



As at 31 December 2025, LSSA had eight staff members: the Head of LSSA, Head of Enforcement, General Counsel, Head of AML Supervision, Office Coordinator, one Senior AML Analyst and two AML Analysts. The positions of Manager, AML Supervision, a second Senior AML Analyst and Senior Enforcement Officer were vacant.

Staff training and development

During 2025, LSSA staff participated in training and awareness activities to develop their supervisory knowledge and operational capability. Internal training delivered by the Head of AML Supervision covered AML/CFT/CPF supervision and the risk-based approach, while the General Counsel provided training on firm structures.

Staff also attended external training and events, including terrorist financing and proliferation financing training; CFATF DNFBP Supervisor Training; CFATF Revised Standards and Methodology Training; the ACAMS Grand Cayman Symposium; and the Professional Body AML Capacity Building Workshop organised by the International Federation of Accountants (IFAC) and the International Bar Association (IBA).

Other activities included the Foreign, Commonwealth & Development Office's Overseas Territories seminar on Immediate Outcomes 10 and 11; sanctions compliance training delivered by Altus Regional and the Office of Financial Sanctions Implementation; Strix AML supervisor training delivered by Financial Transparency Solutions (FTS); the International Monetary Fund's Vulnerabilities Validation Workshop; and the Financial Action Task Force's Virtual Assets Contact Group Symposium. Together, these activities strengthened staff knowledge of risk-based supervision, sanctions compliance, firm structures, risk assessment and emerging financial crime risks.

TRANSITION FROM CARA AND PHASED REGISTRATION

The first phase of registration targeted firms of attorneys at law, including sole practitioners, previously registered with CARA conducting relevant financial business (RFB).¹ Firms conducting RFB are referred to throughout this report as “Supervised Firms”. These firms and practitioners were given the option to either consent to the transfer of their data from CARA to LSSA, which would constitute registration, or to complete a new registration with LSSA.

On 29 September 2025, these firms and practitioners were issued a notice and data consent form and given until 13 October 2025 to indicate their consent. The second phase broadened the registration drive to all firms and sole practitioners, with a deadline of 31 December 2025. The final phase focused on in-house counsel providing legal services to employers other than the Cayman Islands Government

62 RFB FIRMS PREVIOUSLY REGISTERED WITH CARA

Of the 62 RFB firms previously registered with CARA, 50 consented to the transfer of their data and five opted to complete a new registration with LSSA.

Transition outcomes

- 50 firms consented to transfer their data from CARA to LSSA.
- 5 firms opted to complete a new registration.
- 3 sole practitioners gained employment at firms.
- 3 ceased operations.
- 1 registered as a non-RFB firm.

Registered population at 31 December 2025

As at 31 December 2025, LSSA's registered population comprised:

- 67 Supervised Firms, comprising 18 sole practitioners, 13 general partnerships, 11 limited liability partnerships and 25 companies.
- 41 non-RFB firms.
- 16 in-house counsels.

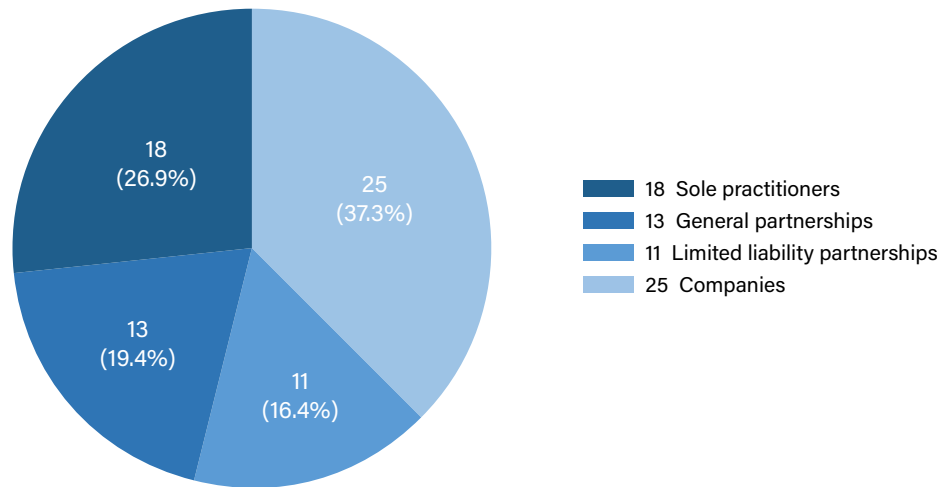
Non-RFB firms and in-house counsel are reported separately and are not included in the total of 67 Supervised Firms.

¹ Relevant financial business (RFB) is defined in Schedule 6 of the Proceeds of Crime Act (2025 Revision). In this report, RFB firms are firms of attorneys at law conducting relevant financial business, while non-RFB firms are those not conducting such business.

COMPOSITION OF SUPERVISED FIRMS AT 31 DECEMBER 2025

LAW FIRM STRUCTURES OVERVIEW

Total Supervised Firms: 67



Relevant financial business undertaken by Supervised Firms

Supervised Firms provide legal services relating to one or more of the following activities specified in paragraph 14 of Schedule 6 to the POCA:

- The sale, purchase or mortgage of land or interests in land on behalf of clients.
- Management of client money, securities or other assets.
- Organisation of contributions for the creation, operation or management of companies.
- Management of bank, savings or securities accounts.
- The creation, operation or management of legal persons or arrangements, and buying and selling of business entities.

The nature and extent of these activities vary between firms and inform LSSA's assessment of their ML/TF/PF risk exposure and supervisory priorities.

Maintaining the DNFBP register

In addition to registering Supervised Firms, LSSA issued a notice requiring firms and sole practitioners previously registered with CARA as non-RFB firms to complete LSSA's non-RFB registration form. The purpose is to support an accurate and up-to-date DNFBP register, consistent with the registration requirements referenced in the AMLRs.

LSSA also provides a public register on its website of firms of attorneys at law conducting RFB for which it has supervisory responsibility. The register supports transparency and gives stakeholders a direct means of confirming the firms within LSSA's supervised population.

BUILDING THE SUPERVISORY METHODOLOGY

In July 2025, the LSSA Board of Directors approved the purchase of Strix AML, an automated AML/CFT/CPF risk analysis software designed by FTS, partner to Financial Transparency Advisors GmbH (FTA). The technology was procured to support LSSA's risk-based supervision and regulatory reporting by strengthening the collection, analysis and use of supervisory data.

During 2025, LSSA developed the initial content for its Annual AML/CFT/CPF Survey and provided it to FTS for configuration within the Strix AML platform, ahead of planned dissemination in 2026. The survey was designed to collect information on firms' activities, risk exposures and AML/CFT/CPF controls to support firm risk assessments and inform the supervisory programme.

At year-end, the survey was intended to be accompanied by a Strix user guide to assist Supervised Firms in completing the survey and using the platform. An internal risk-rating methodology was also planned to guide the assessment of Supervised Firms. The survey and user guide were expected to be issued in early 2026.

LSSA developed standardised forms for registration and material change applications to support consistent information collection and processing. An internal Supervision Manual was developed to document registration procedures, material change application processes and the overall supervisory approach. The manual was intended to guide staff and support consistent handling of supervisory matters, with updates to reflect evolving processes and practices.

Risk-based allocation of supervisory resources

As an AML/CFT/CPF supervisory authority, LSSA is required to apply a risk-based approach to firms of attorneys at law conducting RFB. This requires the Authority to understand the ML/TF/PF risks present within the legal sector, identify where the greatest vulnerabilities and exposures may arise, and allocate supervisory attention according to relative risk.

LSSA's approach is intended to draw on the Annual AML/CFT/CPF Survey, desk-based reviews, onsite inspections and other relevant supervisory information. Data obtained through the survey would support the development of each Supervised Firm's risk profile

Risk factors and supervisory response

The supervisory framework considers:

- Products and services offered, and transactions undertaken.
- Client types and characteristics.
- Delivery channels and how services are provided.
- Geographical exposure.

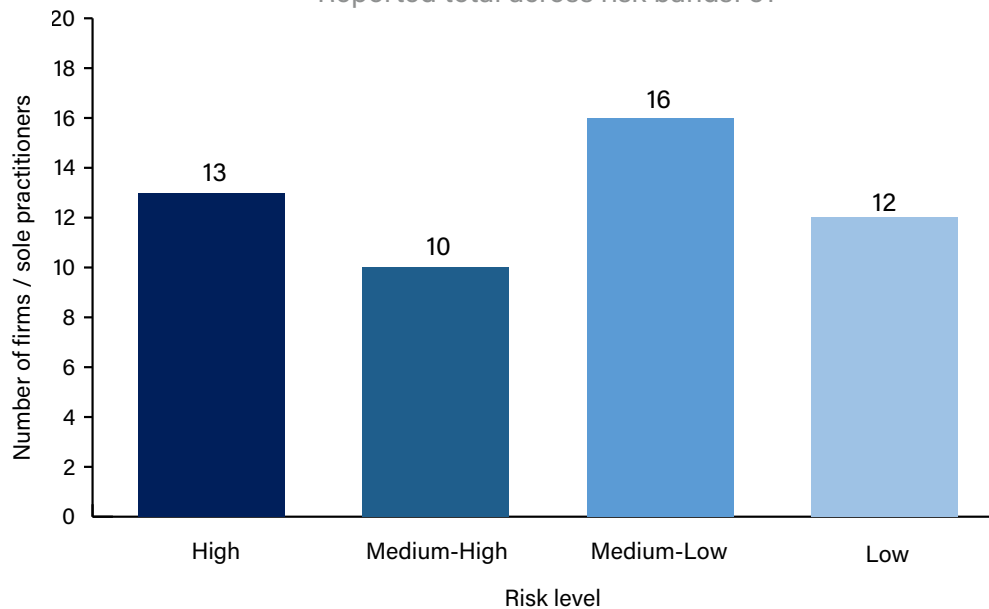
Mitigating measures along with firms' compliance with the AMLRs would also inform the supervisory assessment as information became available. Risk profiles are classified as High, Medium-High, Medium-Low or Low. The resulting profile informs the type, frequency and intensity of supervisory measures. Strix AML is intended to automate significant parts of the analytical process, identify patterns and assess risk factors in a more consistent and scalable manner.

INTERIM RISK ASSESSMENT EXERCISE

Pending full implementation of the Strix AML tool, LSSA conducted interim AML risk assessments in December 2025 using an excel-based methodology. The exercise focused on inherent risks relating to geographic exposure, clients, transactions, products and services, and delivery channels, using information reported by firms in previous surveys submitted to CARA. A total of 51 firms were assigned Interim risk ratings during the exercise.

FIRMS / SOLE PRACTITIONERS BY RISK LEVEL

Reported total across risk bands: 51



TARGETED SUPERVISION PURPOSE OF RISK PROFILING

Risk classification is intended to guide the type, frequency and level of supervisory measures applied to firms.

The year-end exercise provided LSSA with an initial risk segmentation of the supervised population and a basis for planning the next stage of supervisory activity. As the technology platform and annual data collection processes mature, LSSA expects risk profiling to become increasingly data-driven and to support targeted desk-based reviews and onsite inspections.

SUPERVISORY ACTIVITY DURING THE ESTABLISHMENT YEAR

During 2025, LSSA prioritised recruitment, website development, registration and the growth of its supervisory infrastructure. Work included preparing fitness and propriety policy and guidance, drafting internal policies and procedures, and updating registration information for Supervised Firms formerly registered with CARA.

Material Change Applications

Under regulation 55MA(2) of the AMLRs, firms are required to notify LSSA in writing of changes to information previously requested under regulation 53AA or required to be submitted under regulations 55E and 55F, no later than 30 days after the change occurs.

During 2025, LSSA processed 19 material change applications relating to changes in control, ownership structure and AML officers. This formed part of LSSA's ongoing monitoring of Supervised Firms and maintenance of up-to-date registration information.

Contraventions of the Regulations

No contraventions of the AMLRs were identified during the 2025 reporting period. Supervisory monitoring during the year focused on registration and changes to firms' information, while the inspection programme remained under development.

Inspections

During its establishment year, LSSA's supervisory programme focused on registering firms and developing their initial risk profiles to inform the inspection programme. Inspections were therefore not scheduled for 2025.

At 31 December 2025, LSSA planned to commence onsite inspections in Q3 2026. Firms' risk ratings, informed by the Annual AML/CFT/CPF Survey and other relevant supervisory information, would guide the selection, scope and intensity of inspections, with supervisory resources directed towards firms presenting higher ML/TF/PF risks.

ENFORCEMENT FRAMEWORK

No enforcement action was taken during the 2025 reporting period. The Head of Enforcement was onboarded on 27 October 2025, marking the start of dedicated enforcement leadership within LSSA's management structure.

Developing the enforcement framework

During the reporting period, significant progress was made in strengthening the Authority's enforcement framework. An Enforcement Manual was drafted to support the Authority's commitment to transparency, fairness, consistency, and accountability in the execution of its supervisory responsibilities. The manual establishes the guiding principles, policies, and procedures for undertaking enforcement actions in instances where non-compliance with the AMLRs is identified.

By year-end, the manual was undergoing final review and preparation for dissemination and implementation. In addition, work commenced on the development of several supporting enforcement policies, including an Internal Enforcement Process Policy and an Early Involvement with Enforcement Policy. These initiatives are intended to enhance the effectiveness and consistency of enforcement operations by establishing clear procedures for record management, case filing methodologies, standardised templates, and coordination mechanisms with domestic AML/CFT/CPF competent authorities and partner agencies.

Collectively, these measures represent important steps toward strengthening the Authority's enforcement capabilities and promoting a more structured, transparent, and risk-based approach to supervisory compliance oversight.

Potential Breach Referral (PBR) process

LSSA also implemented a PBR process to facilitate the structured referral of suspected breaches from the Supervision Department for enforcement consideration. Supporting methodologies were developed to provide a consistent internal record of referrals and to support orderly case handling.

Internal escalation flow



The PBR process provides a bridge between supervisory identification of potential non-compliance and the separate consideration of whether enforcement action is appropriate. This supports consistency, recordkeeping and accountability as LSSA's enforcement function develops.

REGULATORY COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT

Communication and outreach were important components of the transition to LSSA. During 2025, the Authority and the LSC issued or circulated a series of notices and public communications to support awareness of the new supervisory arrangements, registration requirements and relevant developments affecting the legal sector.

DATE	OUTREACH / COMMUNICATION
16 September 2025	LSC public statement advising of the delegation of AML/CFT/CPF functions to LSSA and providing information to the legal sector on registration.
28 – 30 October 2025	Co-hosted with CIIPA and CILPA, the FATF, IFAC and IBA AML Capacity Building Initiative in Grand Cayman.
7 November 2025	LSSA public notice advising of the mandatory requirement to register with LSSA under regulations 55A and 55F of the AMLRs.
4 November 2025	Circulation of the FRA notice concerning Legal Services General Licence 2022/0002, issued by the Governor and effective from 29 October 2025 to 28 April 2026.
27 November 2025	Sharing of the Office of the Premier's public announcement concerning commencement of the remaining parts of the Legal Services Act, 2020 and five supporting regulations on 1 January 2026.
3 December 2025	Radio interview to raise awareness of LSSA's role, the registration process and the official launch scheduled for 19 January 2026.

The 3 December radio interview addressed the formation of the LSC, the transition from CARA to LSSA, international AML standards and mandatory registration requirements. Collectively, these communications supported the legal sector's transition into the new supervisory framework and established an initial platform for more structured guidance and outreach activity.

DOMESTIC COORDINATION AND INFORMATION SHARING

LSSA works with key competent authorities in the Cayman Islands to support implementation of the AML/CFT/CPF framework. During the reporting period, the Authority participated in committees, working groups and fora supporting policy coordination, risk assessment, sanctions implementation and supervisory cooperation.

Anti-Money Laundering Steering Group (AMLSG)	The authority responsible for general oversight of the Government's AML policy pursuant to section 5(2) of the POCA.
Inter-Agency Coordination Committee (IACC)	Facilitates coordination and cooperation among statutory authorities, government departments and agencies tasked with AML/CFT/CPF regulation pursuant to section 5(3B) of the POCA.
Sanctions Working Group	Facilitates coordination and cooperation among relevant competent authorities and agencies in applying targeted financial sanctions for terrorist financing and proliferation financing.
Supervisors Forum	Supports appropriate coordination and cooperation among supervisory authorities, including self-regulatory bodies.

Strategic partnerships

There was considerable liaison between LSSA and the Cayman Islands Law Courts during Q4 2025 to obtain contact information for new firms of attorneys at law issued practising certificates and operational licences following the dissolution of CARA. This coordination supported LSSA's efforts to maintain an accurate registration population.

LSSA and the Financial Reporting Authority (FRA) also held discussions concerning a memorandum of understanding, information sharing and quarterly meetings to strengthen cooperation between the authorities. LSSA was provided access to the FRA's AMLive portal for the filing of Suspicious Activity Reports (SARs).

More broadly, LSSA commenced engagement with local and international partners during the reporting period and intends to implement measures that facilitate information sharing, cooperation and coordination, subject to the laws, regulations and rules applicable to the respective authorities and jurisdictions.

PRIORITIES FOR 2026 AND THE NEXT STAGE OF IMPLEMENTATION

Having concentrated on institutional establishment during 2025, LSSA's next phase is focused on converting the frameworks, systems and partnerships built during the year into a fuller programme of risk-based supervision, inspection, outreach and inter-agency cooperation.

01	OUTREACH STRATEGY	Develop the 2026-2027 Outreach Strategy to provide a structured programme of guidance, engagement and awareness-raising, including a series of guidance videos.
02	RISK ALIGNMENT	Solidify LSSA's strategic direction in line with the findings of the 2026 National Risk Assessment.
03	CAPACITY	Complete recruitment of additional staff members, continue building operational capability, and provide AML/CFT/CPF training for staff..
04	REGISTRATION FOLLOW-UP	Identify and follow up on firms with outstanding registration obligations, taking appropriate action where necessary.
05	FITNESS & PROPRIETY	Undertake fitness and propriety assessments in accordance with LSSA's responsibilities.
06	ANNUAL AML/CFT/CPF SURVEYS	Collect data for the 2024 and 2025 reporting periods from Supervised Firms through the Annual AML/CFT/CPF Survey to inform risk assessments and supervisory priorities.
07	RISK-BASED INSPECTIONS	Compile entity and sectoral risk data to refine the supervisory approach and commence data-driven, targeted and risk-informed onsite inspections.
08	DOMESTIC COOPERATION	Strengthen collaboration with supervisors and competent authorities through meetings, MOUs or information sharing protocols where possible, as well as joint outreach and related activity.

2026 STRATEGIC DIRECTION

The emphasis shifts from establishment to demonstrable implementation of a risk-based supervisory programme.



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