

MEMBERSHIP

Total Membership income (includes renewals, new members and upgrades)

YEAR	MEMBERSHIP TOTAL *	TOTAL DUES INCOME \$CI
2012 (as at 9 th March)	474 (436 corporate; 38 associate)	\$237,569
2011 (unaudited)	695 (617 Corporate; 78 associate)	\$328,420
2010 (audited)	710 (654 Corporate; 56 associate)	\$330,451
2009 (audited)	742 (667 Corporate; 75 associate)	\$350,638
2008 (audited)	706	\$349,030
2007 (audited)	680	\$332,371
2006 (audited)	699	\$319,682
2005 (audited)	644	\$275,884
2004 (audited)	632	\$269,653
2003 (audited)	626	\$270,702
2002 (audited)	644	\$264,635
2001 (audited)	703	\$274,763
2000 (audited)	631	\$203,277

MEMBERSHIP RENEWAL INCOME

YEAR	\$ INVOICED	\$ RECEIVED	RETENTION RATE
2012 (as at 9 th March)	\$329,899	\$235,169	71.29%
2011 (unaudited)	\$339,411	\$316,251	93.18%
2010 (audited)	\$350,272	\$316,054	90.23%
2009 (audited)	\$355,644	\$328,467	92.36%
2008 (audited)	\$336,109	\$318,451	94.75%
2007 (audited)	\$326,697	\$313,755	96.04%
2006 (audited)	\$290,437	\$275,909	95%
2005 (audited)	\$275,355	\$245,504	89.16%
2004 (audited)	\$274,965	\$255,904	93.07%

**Membership totals do not include honorary and membership exchanges as approved by the Council.*

Membership renewal invoices for 2012 totaling \$329,899 were invoiced to the membership on 15th December 2011. *There was no increase in membership dues for the sixth year.* As of March 9 there have been 461 member renewals (\$235,169) and 13 new members (\$1,900). Total membership now stands at 474 Members (436 Corporate, 38 Associate) with total membership income of \$237,569 inclusive of upgrades and joining fees. This is a 71.29% retention rate. Sixty day past due statements will be sent out this week.

MEMBERSHIP APPROVALS (since 1st January 2012)

Company Name	Category	Beneficial Owners
1. Caribbean Impact Windows and Doors Ltd.	Corporate	Christian Cartagena and Michael Meghoo
2. Island Elements C.I. Limited	Corporate	Ann Murphy, Tania Drebenstedt

3. Sarah Lewis	Associate	Individual
4. Endless Energy (Cayman) Ltd.	Corporate	James Knapp
5. Cleveland Clinic Global Patient Services	Overseas	
6. Global SIM Cards	Corporate	Sandra Catron
7. Joe Pike	Associate	Individual
8. Cayman Precious Metals	Corporate	Leslie Pacifico, Charles Thompson Jr.
9. Watler's Labour Brokerage	Corporate	Margaret Thompson
10. Frederick & McRae Ltd.	Corporate	Rodney Frederick & Lori McRae
11. Massive Media Ltd.	Corporate	David Kirkaldy
12. Mark McBryan	Associate	Individual
13. Kirk Supermarket	Corporate	Capt. Eldon Kirkconnell
14. Bias Cayman Ltd.	Corporate	Robert R. Pires and Mark J. Melvin
15. Kelly's Cajun Grill	Corporate	Robert C. Bodden
16. Cayman Kayaks	Corporate	Thomas Lawrence Wetling & Andrew Moon
17. Caroline Todd	Associate	
18. NCB Project Management Ltd.	Corporate	Naul Bodden & Matthew Wight

FINANCIAL POSITION (as at 9th March 2012)

US\$ Fixed deposit:	US\$227,947.12 (fixed until 15 th March 2012)
CI\$ Fixed deposit:	CI\$66,787.39 (fixed until 18 th April 2012)
CI\$ Savings	CI\$3,693.74
CI\$ Chequing:	CI\$184,942.63
US\$ chequing:	US\$51,314.39
US\$ Savings:	US\$9,185.50
TOTAL BALANCES:	CI\$491,950.31 or US\$599,939.40

All accounts have been reconciled as at the end of January 2012. PKF Cayman has been appointed the honorary audit firm for the next three years. They will begin the audit of the 2011 accounts in April 2012.

YEAR	INCOME	EXPENSES	NET INCOME
2010 (audited)	\$867,199	\$852,976	\$14,223
2009 (audited)	\$808,383	\$761,781	\$46,602
2008 (audited)	\$985,564.58	\$952,521.15	\$33,043.43
2007 (audited)	\$845,266	\$746,254.14	\$99,011.86
2006 (audited)	\$754,086	\$735,582	\$18,504
2005 (audited)	\$609,016	\$599,278.61	\$9,737.39
*2004 (audited)	\$455,436.50	\$576,915.60	-\$121,479.10

**Hurricane Ivan*

PROGRAMMES

PROFESSIONAL DEVELOPMENT & TRAINING CENTRE

YEAR	PARTICIPANTS	\$ INCOME	\$ EXPENSE	NET INCOME
2012 (as of 9 th March)	100	\$20,188	\$11,713	\$8,475
2011 (unaudited)	592	\$98,264	\$53,336	\$44,928
2010 (audited)	759	\$135,279	\$79,339	\$55,940
2009 (audited)	501	\$70,296	\$45,903	\$24,395
2008 (audited)	457	\$72,866	\$44,912	\$27,953
2007 (audited)	416	\$54,056	\$29,603	\$24,454
2006 (audited)	296	\$49,150	\$27,458	\$21,691
2005 (audited)	368	\$46,611	\$25,965	\$20,646
2004 (audited)	480	\$76,887	\$37,844	\$39,043

2007 2008 2009 2010 2011 2012

January Attendees	17	15	20	74	20	39
Courses	2	2	2	5	3	4
February Attendees	138	47	62	67	94	86
# Courses	6	5	5	8	9	8
March Attendees	81	64	79	115	60	66*
Courses	4	5	6	7	6	5*
April Attendees	25	92	25	101	74	
Courses	2	6	2	9	8	

May Attendees	24	31	23	81	66
Courses	2	4	4	8	6
June Attendees	11	61	34	48	39
Courses	1	7	4	5	6
July Attendees	16	38	35	45	0
Courses	1	4	4	4	0
August Attendees	0	0	19	23	19
Courses	0	0	1	3	2
September Attendees	17	7	101	87	84
Courses	1	1	11	6	6
October Attendees	57	22	43	86	63
Courses	5	3	6	7	7
November Attendees	10	51	53	32	39
Courses	1	5	7	3	4
December Attendees	10	10	8	0	33
Courses	1	2	1	0	3

* Mar 1st -9th

January was slow in terms of registrations and this dip is experience not just by the Chamber, but other similar training institutions. However, training totals for the PD&TC for the full month of January 2012, surpassed those of January 2011. Since the last report, there was additional interest seen from the Compass ads and one new member added to the Chamber based on interest in training.

February courses: 8 of 10 scheduled courses took place with a total of 86 attendees. Course held Basic Grammar & Writing Skills Part 1, Creating a Friendly Mentality Internally and Externally, The Essentials of Supervision, Basic Accounting Made Easy, Advanced Sales Skills, Operational Risk & Compliance and Performing Well. There were two custom training courses arranged with the Cayman Islands Airports Authority for 15 members of their security team: Basic Grammar & Writing Part 1 and 2.

March courses: For the period 1st and 9th March, 6 courses took place. This month included two custom training courses: Saturday, Mar 3rd, Appleby "Creating a Service Mentality Internally & Externally" and Thursday, Mar 3rd, CIAA "Basic Grammar & Writing Skills Part 2".

The beginning of the year has been slow in terms of registrations and it is noted that this lag is not solely the experience of the Chamber, but also that of similar training institutions. Despite this, the training totals for the PD&TC for the full month of January 2012, surpassed those of January 2011 and were similar for February year over year. Since the last report, there was additional interest seen from the Compass ads and one new member added to the Chamber based on their interest in ongoing training. Whilst the first week in March showed a spike in increased registrations, a 15% discount strategy is currently being offered for courses the week of March 12 where low numbers are evident.

LEADERSHIP CAYMAN

The two recently scheduled seminars, **Criminal Justice and Education** and **Workforce Development**, were both well-received by the LC Class. The Planning Committee secured sponsorships for both these seminars. Evaluation forms were provided to the group and feedback received via survey monkey. In addition to positive comments on the tours and seminars, similar notes were received regarding catering from China Village and the Brasserie.

The **Sister Islands** seminar is currently being planned and is schedule for Cayman Brac March 15th-16th and Moses Kirkconnell – Sister Islands MLA, Jonathan Tibbetts – Cayman Brac Power and Light, and Ventisha Conolly – Head of Arts & Technology at Layman E. Scott Snr. High School. Deputy Premier Julianna O'Connor-Conolly cancelled her appearance due to other pressing commitments.

7 December	Orientation Dinner (Complete)
19 -21 January 2012	Opening Retreat (Complete)
1 February 2012	Seminar 1 – Media In our Community (Complete)
15 February 2012	Seminar 2 – Criminal Justice (Complete)
29 February 2012	Seminar 3 – Education & Workforce Development (Complete)
15 & 16 March 2012	Seminar 4 – Sister Islands Perspective (In planning)
28 March 2012	Seminar 5 – Diversity (in planning)
31 March 2012	Mid Year Retreat (RSVP invite sent, facilitator booked, agenda set)
11 April 2012	Seminar 6 – Cayman Islands Government
25 April 2011	Seminar 7 – Human Services & Health Care
9 May 2012	Seminar 8 – Financial Services
12 May 2012	Class Project Work Date
23 May 2012	Seminar 9 – Stayover & Cruise Tourism

6 June 2012	Seminar 10 – Infrastructure & The Environment
20 June 2012	Seminar 11 – Cultural & Performing Arts
22 June 2012	Closing Retreat
27 June 2012	Graduation Dinner

Sponsorships from the following have been received: Deloitte (1,500); Appleby (\$1,500 – Diversity seminar), Cayman National (\$1,500 – Finance seminar), DHD – Damon Hardie Design (\$200), Merrill Lynch Private donation –\$300, Vampt Motors (\$1,500), Dine by Design (\$500 value), CAL two roundtrip tickets (Value \$631.25 Dr. Hammerschmidt & Brac seminar), Brac Reef (Waive of conference room fees and discounts on all rooms \$486 value), Cayman Luxury Charters \$500, CML (\$500)received? Sponsorships have been pledged but not received from: Cox Lumber, Phoenix Group (\$1,500 infrastructure seminar) Follow-up calls made since March 2012 to Cox Lumber regarding last year’s sponsorship (2011) plus 2012.

MENTORING CAYMAN

All is on track regarding the mentoring visits following the guests speaker luncheon at the Westin, which was well-received. The guest speaker was Mr. Canover Watson, who spoke on the importance of time management and creating priorities for success. Reminders have been sent out to the group on a consistent basis and has already issued for the next visit scheduled for March 12th.

Mentor Training:	Friday, 18 November (Complete)) 24 Persons attended
Mentor Training 2	Thursday 1 st December, (Complete) 25 persons attended
Student & Parent Orientation:	Tuesday 22 November (Complete) 74 persons attended
Opening Reception:	Thursday, 24 November, Westin Casuarina & Resort (Complete) 31 Mentors and 43 students attended. The Minister of Health, Environment, Youth, Sports & Culture was the keynote speaker.
Work Place Visit 1:	Friday, 9 th December (Complete) Successes reported.
Work Place Visit 2:	Monday, 9 th January Reminder sent. (Complete)
Work Place Visit 3:	Wednesday, 15 th February. Guest Speaker Luncheon (Complete Canover Watson was the invited Guest Speaker.
Work Place Visit 4:	Monday, 12 th March (Reminder sent)
Work Place Visit 5:	Monday, 16 th April
Work Place Visit 6:	Monday, 7 th May. Catamaran Cruise-Red Sails have been contacted. Follow up to be done.
Work Place Visit 7:	Tuesday, 5 th June
Closing Reception;	Date to be confirmed. (Governors House is pending) Jacqueline Hennings contacted and is to confirm)

BUSINESS COACHING CAYMAN

Promotional flyer completed after consultation with Shirlaws. All retails banks contacted for sponsorship but none have come on board to support the initiative as of yet. Further efforts will be made in March and a date for the start of the pilot programme will be confirmed.

EVENTS

PRESIDENT'S ROUNDTABLE (10th February)

President David met with representatives from the top 10 Chamber member firms in terms of number of employees at a roundtable lunch discussion at the Grand Old House on Friday, 10th February at the Grand Old House. These discussions are intended to provide the Council with direct feedback from various groups in the Chamber membership and will assist with developing an advocacy agenda. Persons attending included:

- Woody Foster, Managing Director, Foster's Food Fair
- Justin Howe, Senior Manager, Dart Cayman Islands
- David Kirkaldy, President, Cayman Islands Chamber of Commerce
- Christopher Kirkconnell, Director, Kirk Freeport Ltd.
- Marc Langevin, General Manager, Ritz Carlton Grand Cayman
- Neil Lupton, Partner, Litigation Department, Walkers
- Roy McTaggart, Managing Partner, KPMG (Past Chamber President)
- Conor O'Dea, Managing Director, Butterfield Bank (Past Chamber President)
- Wil Pineau, CCE, Chief Executive Officer, Cayman Islands Chamber of Commerce
- Paul Reichard, Director of Finance, Ritz Carlton Grand Cayman
- David Watler, Vice President, Production, Caribbean Utilities Company Ltd.
- Fabian Whorms, Managing Director, Cayman Airways

Invited but unable to attend:

- Paul Lumsden, Managing Partner, Maples & Calder
- Ormond Williams, President and CEO, Cayman National Bank

A list of the top issues identified by the group is as follows (in no particular order of importance or priority):

- Work permit issues
- Energy costs and lack of an energy policy to encourage alternate energy sources
- Escalating cost of operations
- Government accountability and transparency in processes such as the central tenders committee and government accounting;
- Lack of focus on the cruise ship sector; more attention given to the hotel sector;
- Lack of local business involvement in the major projects;
- Concern about the amount of retail space to be built on the proposed cruise berthing facilities in George Town and other locations;
- Lack of checks and balances for the Government;
- The need for good governance;
- Failure of Government to cut costs;
- There is a need to promote downsizing as part of the Government reform process;
- Some developers have available capital to invest in large scale projects but there is a slow desire to mobilize;
- There is an increasing sense of entitlement among the youth. This trend could result in increasing problems in the future;
- Education campaign needed to promote the contributions of the tourism sector to the local economy;
- The aptitude level of the local workplace is much lower than the attitude level of the local workforce;
- The level of security on island is becoming a main concern among some business leaders;

- There is a lack of faith and confidence in the police service.
- There is a need to improve the level of risk and reputational management for the financial service sector. More emphasis needs to be introduced for the Cayman Islands to actively promote Cayman as a jurisdiction of choice similar to what is being done in Jersey (Jersey Finance).
- There is a need to evaluate the Islands infrastructure (roads, airport and port) to ensure that it can maintain the expected volume of use once the new projects get underway.
- There are opportunities to promote the Cayman Islands by contacting persons in other countries who wish to speak about the attractiveness of Cayman as a place to invest and live.
- There was general support for allowing more businesses to operate on Sunday if they so wished.
- Health insurance increases is a major concern for businesses. They are seeking ways to lower health insurance costs and welcomed the Chamber's efforts to develop a multi-employer health insurance plan.

PANAMA TRADE MISSION (19th – 23rd March)

Meetings were held with the Department of Tourism, Cayman Airways, Ministry of Finance, Tourism and Development and the Department of Investment and Commerce to confirm the partnership for the fourth trade mission to Panama in March. The Cayman Islands Government has confirmed that they plan to take part in the trade mission and are confirming the level of support. CAL has matched the price for a charter (US\$42,500) that was originally planned for Air Panama. Further reduction in the price will be confirmed once CAL confirms how many people will be attending from the airline. Two booths have been reserved for the Expocomer Trade Show to promote the Cayman Islands. Three hotels, Crowne Plaza (35 rooms), Le Meridian (15 rooms) and Miramar Intercontinental (8 rooms) have been reserved for the delegation. A special welcome reception is confirmed at the Intercontinental Hotel. During the meeting with CAL officials on 2nd February to discuss the opening of the new seasonal route to Panama beginning in April, it was agreed that the Chamber would assist by preparing a survey to measure the level of interest in the route by the local community.

BE INFORMED Series – 2012 Stepping Stones committed to sponsorship.

- Wednesday, January 25, **Cayman Enterprise City** – 86 registered – room filled to standing capacity on the date.
- Wednesday, 28th March, **UK Anti-Bribery Act information** session, organized in partnership with the Cayman Islands Law Society

CHAMBER INFORMATION SESSIONS

Global Outlook – Wednesday, 29th February - RBC Caribbean Chief Economist – Marla Dukaharan presented an overview of the global trends expected for 2012. Approximately 35 persons registered. The event was hosted by RBC Royal Bank of Canada.

Gender Equality Law presentation – Monday, 27th February 2012, Tammie Ebanks, Senior Policy Advisor for Gender Affairs in the Ministry of Community Affairs, Gender and Housing delivered a presentation about the new Gender Equality Law which was enacted on 1st February 2012. Reshma Sharma, Senior Crown Counsel (Treaties and Conventions) and Karen Stephen-Dalton Legislative Counsel (Financial Services), both of whom worked with the Ministry in the drafting of this piece of Legislation. The presentation included a general overview of the main points of the new Law, how it relates to the international human rights convention, CEDAW (Convention on the Elimination of All Forms of Discrimination against Women) and why promoting gender equality makes good business sense. Mrs. Ebanks also shared some best practice principles and policies to promote gender equality. A question and answer

period followed. The presentation is posted to the Chamber website. Another session is being planned later in the year.

Earth Day Roadside Clean-up–14th April 2012

- 17 Sponsors confirmed to date are: LIME, Deutsche Bank, Sagicor, Dart, KPMG, Cayman Islands Yellow Pages, Phoenix Group, Grant Thornton, Conyers Dill, CIBC First Caribbean International Bank, Appleby, Mourant Ozannes, Cayman National, Royal Bank of Canada, Caledonian Group Services, Walkers and Foster's Food Fair.
- Brunch: Details reviewed and to be follow-up on. Three member restaurants are being asked to bid.
- Reusable bag sponsors included: Walkers and Royal Bank of Canada (\$1,500 each)
- Garbage bags and gloves have been secured and sponsored by the Department of Environment.
- T-shirt design – Working with the Department of Tourism to incorporate CAYMAN KIND branding.
- T-shirt quotes – in progress – Local suppliers will be used and timelines being discussed.
- Promotional materials have been redesigned to include a reusable bag sponsor.

Golf Tournament –4th May 2012

- Since the last meeting of the planning committee, the venue contract has been signed with the North Sound Club. Councilor Rory Mohammed is chairing this year's tournament.
- Councilor Rory has arranged for a special package per player which can be used to purchase gifts/prizes for the tournament.
- Sponsorship package has been completed and sponsors are being sought.
- Sponsorship confirmed: GT Automotive (hole in one sponsor)
- A site visit was made to the course in order to select the most appropriate sponsorship holes. The sponsorship forms were updated accordingly.
- Maximum team numbers have been issued to membership relationship coordinator to ensure that all effort is made to sell the remaining holes that sponsors do not book.
- The goal is to have 144 golfers with 18 teams of four in the morning and afternoon.
- REMAX has reconfirmed as the title sponsor.

Business After Hours – 2012

- Thursday, June 12 – Mourant Ozannes confirmed.
- Kirk Supermarket – pending date
- IslandCompanies – 6th December
- Diamonds International – 13th December

COMMUNICATIONS

The main focus for the communications strategy will be to launch the new website, www.showmethemoney.ky commence the redesign the Chamber's main website, www.caymanchamber.ky, to introduce a new Chamber Mobile Phone application <http://web.caymanchamber/mobile> and to update the Future of Cayman website www.futureofcayman.com with the latest updates.

Over the past month the following activities have been completed.

CHAMBER MAGAZINE

Work has begun on the 2nd Quarter CHAMBER Magazine. The focus of this issue will be on Small Business and feature the new Small Business Committee Chairman, Len Jackson on the front cover. We will cover items such as Chamber advocacy news, Mentoring Cayman, Future of Cayman, Business Expo, BE INFORMED, New Members and more. We will also have a Small Business Directory for members who have 10 or less employees. Content for the issue is as follows: **Publication date: April 18**, Chamber Magazine Issue 2 2012

Viewpoint from the Council:

“Small businesses need support” – survey results

Chamber Interview: SMALL BUSINESS FOCUS

Len Jackson, Chairman, Chamber Small Business Committee and Secretary of the Chamber

SMALL BUSINESS Focus features:

- ✓ The challenges of starting business in a down economy
- ✓ The Small Claims court and how it can assist small businesses
- ✓ Illegal businesses: What is Government doing to stop this abuse
- ✓ The cost of operating a small business – it's not a level playing field

Small Business Advisory

- HR Care article by Graham Wood
- Article by Tom McCallum from Shirlaws
- Debt Collection – the challenge to collect

Building Blocks:

- Chamber advocacy news in brief (one paragraph summaries)
 - Small business committee established
 - UK Bribery Act information session held
 - Vacation rentals concerns raised
 - Small business survey released
 - State of Business Survey results
- Mentoring Cayman – Profiles of success
- Panama Trade Mission
- Careers Expo
- Future of Cayman – Forum planned for November
- Business Expo – What's in store for this year
- BE INFORMED
- Big Dates
- Meet the Council:
 - Len Jackson
 - Rory Mohammed
 - Alan Brady
- JA Anniversary

- Pension news
- New Members profiles/products and services

CHAMBER ANNUAL GREEN GUIDE

- Member businesses promoting green practices and products
- Earth Day National Event Calendar
- Earth Day Annual Roadside Clean-up
- Article by Gregg Anderson on Green Business

STATISTICS TO LIVE BY

- Key highlights of the National Census
- Regular quarterly statistics reports

INDUSTRY SPOTLIGHTS

Education and Property

ADS

- Small Business Services Directory (Double page spread instead of Discount Card)
- PD&TC 1 page
- RE/MAXChamber Golf Classic 1 page

GREEN BUSINESS

An e-blast was created and distributed to members to elicit information on their green practices, products and services. Information was also included in This Week at the Chamber eblast. We have had nine responses which we will include as part of our GREEN Guide feature in the upcoming issue of CHAMBER Magazine as well as include in an article on our website and as a press release.

CHAMBER APP

We have a new chamber app for smart phones. It is now in testing phase and will be distributed to the Council once completed.

SHOWMETHEMONEY.KY

Communications has met with the scholarship committee members and has reviewed their developed site plan for the website. We have now received a proposal from Easy Websites that includes the cost of customised functionality software so that businesses may upload their scholarship information directly to the website (with final approval from the Chamber before going live) and that students can apply online for scholarships. These two functions will be put in place right away with additions to the site added later as needed. The site is intended to be worked on and updated on a regular basis to ensure we are connecting to our desired audience and that we are improving both scholarship awareness and the access and application process for both students and businesses.

The next step is to meet with Easy Websites to finalise functionality and design of the website which will be done next week. Communications will work hand in hand with Easy Websites until project completion.

CAYMANCHAMBER.KY

Member Business Yellow Pages approached the Chamber to re-do our website but after careful consideration we decided that it was not in the best interest of the Chamber to go with their proposal. Work will begin in earnest on the Chamber's website immediately after showmethemoney.ky is completed.

FUTUREOFCAYMAN.COM

Statistical data, text, logos, Face Book and Twitter have been maintained for the site.

EARTH DAY

The Earth Day sponsorship form has been redesigned. Communications is currently working with Department of Tourism on a co-branded T-shirt design and possible bag application.

PANAMA TRADE MISSION

We have promoted the Panama Trade Mission through local television, radio and print media. We have also circulated information to the membership through e-blasts and TWATC. A paid commercial was produced and ran with Rooster101 along with a 30 minute interview segment on Cayman Cross Talk.

PUBLIC RELATIONS

- 10 pieces in print and online media (since Feb 6)
- 2 items on Cayman 27
- Interviews organised for Panama Trade Mission on Daybreak, CITN News and Radio Cayman.

TWATC

This Week at the Chamber has been released weekly (Fridays) with written news items.

ADVOCACY, COMMITTEES AND MEETINGS**FUTURE OF CAYMAN ECONOMIC DEVELOPMENT INITIATIVE**

Actions taken since the last Council meeting:

- All Driver co-chairs have been contacted and asked to engage their groups and to send me a list of preferred meeting dates for the year; Michael Joseph responded with a list of dates;
- Chairman Shayne and PP Stuart Bostock met with newly appointed Chief Officer Eric Bush to confirm his involvement in the driver group to replace Deputy Governor Franz Manderson. The CEO provided Mr. Bush with background information and connected him with Mr. Joseph to confirm meeting dates.
- Samantha Nehra, who serves on the Steering Committee, has agreed to serve as co-chair of the Develop Talent Driver Group, replacing past Councilor Pat Bell. As agreed at the Steering Committee Meeting on 2nd February, the CEO connected Mrs. Nehra and Ms. Bell and asked them to meet for a handing over briefing. The

CEO also connected Mrs. Nehra with Chief Officer and FoC Co-Chair Mary Rodrigues to confirm the dates for future meetings and to re-engage their driver group members.

- Following discussions with President David, who co-chaired the Quality of Life Driver Group, he recommended that Pam Small be asked to take over his position since she demonstrated a real commitment to the group and worked diligently to complete the tasks assigned to her. Mrs. Small and I met in late February and she agreed to consider the offer but wanted to meet with Chief Officer and FoC Co-Chair Jennifer Ahearn first to discuss the responsibility. The CEO introduced them via email and asked them to arrange a meeting.
- Following the SC meeting on 2nd February and Chairman Shayne's subsequent email seeking suggestions for a replacement for Co-Chair Mr. Colin Reid on the infrastructure group, the CEO contacted PP Billy Adam to determine if he would be willing to assume the co-chair role. He said he is willing to work on the committee but not to serve as a co-chair. Chairman Shayne approached Paul Gallagher who confirmed his willingness to serve as co-chair.
- Following the SC meeting on 2nd February, the CEO met with Lynne Byles who was unable to attend the SC meeting and discussed the organisation of the Future of Cayman Forum in November. She agreed to produce an outline and a draft budget that she would normally prepare by any project such as this. She has submitted the outline which will be shared with the SC subcommittee assigned to organise the forum.
- Weekly tweets are being posted to the website and we have also updated the pictures for the President and will be producing the general updates that we discussed at the SC committee.
- Articles are being prepared for the next issue of CHAMBER magazine to discuss the upcoming Future of Cayman Forum.
- The Council of Associations meets on 15th March and the Future of Cayman Forum is an agenda item to encourage more participation and involvement from the various industry associations on the work of the groups and the forum.

It is my goal to get each of the driver groups reengaged this month and to get them back to work. Like any new initiative this requires constant encouragement, but we will achieve the results that we are seeking as long as everyone remains committed to the initiative.

Council of Associations: The first meeting of the Council is scheduled for Thursday, 15th March at 3:30 p.m. at the Chamber. President Elect Chris will provide a report at the April Council meeting.

Small Business Committee: The first meeting of the committee took place on 16th February. President David welcomed the committee members and reviewed the terms of reference. The committee is chaired by Chamber Secretary Len Jackson. The committee agreed to produce a small business survey that would be distributed to members that employ fewer than 10 workers. Results of the survey will assist the committee with developing a Small Business Advocacy agenda and determining what programmes and services would appeal to small business owners. The second meeting of the committee took place on Tuesday, 13th March at 3 p.m. at the Chamber. The committee reviewed the preliminary results of a small business survey which was released to 399 small business members of the Chamber (employ 1-10) in early March. Secretary Len, who chairs the committee, will provide further information at today's Council meeting.

Membership Committee: President David will meet with Vice President Johann and Councilor Natalie to share some ideas and strategies to increase membership in the Chamber at the National Gallery offices on Tuesday, 13th March. The Small Business Committee is also working on attracting 100 new small business members as part of their terms of reference as well.

Immigration Online presentation: CEO Wil attended a presentation on February 21st at the Ritz Carlton to launch the new website for immigration. Immigration Online (IOL) is a powerful tool that business owners and human resources

professionals can use to efficiently manage their immigration needs. The new technology allows businesses to use meetings calendar to monitor applications scheduled to be heard by various immigration boards. Users are also able to drill down to see the full details of each application: including: status history, meeting & decision detail, financial transactions and dependents. Comprehensive search, filter and sort functionality allows instant access to current or historical applications. IOL also makes available business staffing plans; details of mail received by the Immigration Department and cancelled permit information. In addition, content can be exported to your own spreadsheets, reducing the amount of paper generated by each transaction. There is a three step process for employers to use the system:

1. Register for a CIGnet account
2. Contact Immigration for access
3. Enroll for the Immigration online service

Immigration Bill amendments: VP Johann, Councilors Kyle and Rory and the CEO met on Wednesday, 15th February to review a Bill for a law to amend the Immigration Law (2011 Revision) to alter the composition of the Immigration Appeals Tribunal; to vary the eligibility requirements for a certificate of direct investment; to correct issues relating to specialist caregivers and business visitors; to create a new category of permanent residence for persons of independent means and a new residence category for persons who establish a substantial business presence in an approved category of business in the Islands; to create new procedures for obtaining immigration clearance of recreational sports fishermen and for incidental and connected purposes. The main initial observations of the group were as follows:

1. There were no regulations submitted along with the Bill so it is impossible to understand the full details of the intention of the amendments to the Immigration Law as proposed;
2. There was no explanation given for the reason for reducing the definition of employment generating business from 50% to 30%;
3. There was support for the inserting the definition of recreational sports fishing vessel;
4. Reducing the quorum for Tribunal meetings from five to three was opposed by the group;
5. Amending the requirement to record all meetings of the Tribunal to may record was not supported;
6. A definition of prescribed sum is needed for the Certificate of Permanent Residence for Persons of Independent Means (difficult to determine without regulations)
7. The amendment of section 37a certificate of direct investment opens the door for possible unscrupulous persons;
8. There was support for the certificate for specialist caregivers;
9. There was concern expressed about section 37d (a) regarding the minimum of 10 percent shares in an approved category of business and the phrase "substantial business presence" (difficult to determine without regulations);
10. The other amendments to the law were considered acceptable by the group but Councilor Kyle would carry out a more indepth analysis and report back to the group.

Vacation Rentals: Councilor Rory and the CEO met with Chamber member Penny Cumber from Cayman Villas regarding the review of the Trade and Business Licensing Law and regulations and how they relate to the provision of renting villas and apartments for vacation rentals. Letters were drafted and sent to both Mr. Garth Arch, Chairman of the Trade and Business Licencing Board and Mr. Shomari Scott, Acting Director of Tourism, alerting them to the serious matter of villa and apartment owners who own more than two units who are booking them privately or through unlicensed agents who do not possess a trade and business licence. These individuals are also contravening local tourism laws for the collection of Government accommodation tax and the provision of how the visitors are being managed upon their arrival in the Cayman Islands. In the letter to Mr. Scott, President David wrote:

These illegal practices are causing serious ramifications to the Cayman Islands economy and accommodation rental sector.

- *The estimated loss of millions of dollars in management fees, Government fees and tourism accommodation taxes, registered office fees, insurance fees and accounting fees.*
- *Many visitors receive a bad impression of the Islands and feel isolated as many have no representation for problems (maintenance and concierge) and there is nobody to meet and greet them as is required by law.*
- *The keys and instructions for the units are sent to guests overseas not using local agents. This is an illegal practice.*
- *Many owners book or classify paying guests as “family and/or friends” which means that the resort manager, property manager or a licensed booking agency is liable for prosecution under the law by being the licensed operator by the Department of Tourism.*
- *Many owners who book their own guests through their own website do not provide detailed information on the rental unit or the Islands for their guests.*

The Department of Tourism (DOT) is charged with the responsibility under the Tourism Law to investigate complaints. Chamber members have reported that they have called your offices to report complaints but they are unclear on the procedures that are being followed once a complaint is filed with your department for investigation.

We are therefore requesting your assistance by providing us with the process that is in place when complaints are filed with your office in these types of matters. We are also requesting the names of the DOT staff members who are responsible for overseeing the enforcement of any complaints that are received. In this way, we can direct our members to the appropriate persons and then track the progress with the complaints.

We would also like to inform you that we have recently written to the Trade and Business Licensing Board regarding this matter and proposed the following changes for their consideration as part of the current receive of the Trade and Business Licensing Law and Regulations. Before obtaining a DOT license, all property owners should be required to execute an approved written agreement with either a local Cayman business holding a Trade and Business license or a condominium or villas rental pool that possesses a Trade and Business License. An individual owner who wants to operate one or more condominiums or villas alone should also obtain a Trade and Business License.

We believe these changes will assist local authorities to stop the illegal practices that are allowing the loss of millions of dollars in revenue and the poor treatment of our guests who are renting some of the most valuable vacation rentals in the Cayman Islands.

Harmonized Customs codes: Councilor Barry Bodden and CEO Wil met with Deputy Collector of Customs Langley Powery and representatives from the Economics and Statistics Office on 20th February to discuss the new harmonized tariff coding system being proposed by Customs. The number of customs tariff codes will increase from 200 to 5,000 categories. There will be some modifications in customs tariff fees in several categories with some being adjusted but Mr. Powery did not believe there would be any major increases in fees. The Customs Department plans to introduce the TRIPS system for cargo processing July 1st. Each importer will need to be registered with the Customs Department or will deal with a customs broker for clearing of goods. The new system will accept credit and debit cards. The Customs Department is already testing the system with Foster's, Progressive and Parkers. There will be a new customs clearance forms. The Customs Department will be introducing one of three modules in the TRIPS system dealing with cargo processing system. There is also a trader registration module and an information module that deals mainly with enforcement. In the future registered importers will be able to submit forms online, but this is to be introduced in the future. The Customs Department will still accept forms electronically. Government needs to approve the harmonized customs tariff codes before the system is introduced in July. Customs and ESO officials agreed that the system is needed for the following reasons:

1. Advance in technology with e-commerce application (easier for customs and importers to use)
2. International rules when clearing goods. Cayman's 200 codes are a modified version of the 5,000 internationally accepted codes that are being used by most countries which makes it difficult to produce accurate statistics and also leaves too much discretion to Customs and customers for the calculation of tariff rates.
3. Requests for information on import statistics. The new system will improve market research. Customs and ESO cannot produce accurate statistics to measure many import categories which are not classified into correct categories. This does not assist businesses that want to conduct market research or for the Cayman Islands to submit statistics to international agencies.
4. It will improve the collection customs tariffs and categorization of imports to prevent abuses to the system.
5. Improved environmental and health concerns standards for imports
6. Improved monitoring and enforcement.

Mr. Powery confirmed that ESO and Customs will be working closely on the project. The Customs Department will be restructured. Train the trainers sessions are being conducted so that the front line Customs staff learn and understand the new system. Mr. Powery said he is willing to work with the Chamber to conduct several training sessions for importers who would like to learn the new system.

One Person, One Vote petition: The Chamber Executive Committee accepted an invitation by North Side MLA Ezzard Miller, East End MLA Arden McLean and Alva Suckoo on March 2nd to meet and to discuss the One Man, One Vote petition that they have developed. President David presented the Chamber position statement. The statement confirmed that the majority of survey respondents to past Chamber surveys supported One Person, One Vote. The Chamber offered to allow them to use the Chamber conference room to hold meetings if necessary. The group asked the Executive Committee that if they obtained the required signatures required calling a referendum on the subject if the Chamber would consider writing to the Government to seek legislative amendments to introduce the One Person,

One Vote system rather proceeding with the expense of calling a national referendum on the question. The Executive Committee agreed to discuss this matter with the full Council before taking a position.

White Paper Review Committee: The CEO attended a special meeting called by Mr. Lemuel Hurlston, chairman of the White Paper Review Committee on Friday, 9th March at the Government Administration Building. The committee was given a copy of a draft White Paper that had been prepared by the United Kingdom following its consultations with the Overseas Territories. Committee members were allowed to read the document and were then asked to comment on any general points that they felt were missing or required amendment. Following the discussion, the Secretariat is to prepare a letter summarizing the amendments that would be submitted to the Premier for review. The deadline for submitting comment was Monday, 12th March. Once approved the letter would be submitted to the UK's OT Minister Henry Bellingham. The Minister is expected to issue the final White Paper to the OTs by the end of April.

Third Party Rights subcommittee response: President David responded to a request from the Third Party Rights Subcommittee to provide comment on whether the Chamber would welcome the general application of the Bill to all businesses and not just to have it restricted to exempted companies and limited partnerships. The Bill was reviewed by Councilor Kyle. In the letter dated 29th February to Alasdair Robertson, chair of the subcommittee, President David wrote:

The Chamber of Commerce takes the position that the concept of legislating that third parties can enforce a contract in certain circumstances is welcome. It is clearly of benefit to the financial industry. Regarding local business, you have provided only one example of local business and perhaps more may assist us in further comment.

We recognise and appreciate the structuring of the Bill is that it applies "if the contract expressly provides in writing". We feel that this should limit potential abuse or confusion as the Bill only applies where it is expressly included in the contract. For local business, one potential concern of this clause, however, is that this small 'opt-in' clause would be easy to miss in a complex document.

Local businesses (and individuals) would have to be made aware of their rights under this clause in perusing claims or in seeking its inclusion (or exclusion) in future contracts. If such a clause is inserted into an agreement the parties of the agreement must now be aware that a third party might come along and seek to enforce the obligations under that agreement. Using the example provided of the real estate contract, a purchaser would now have to be aware that the agent might chase after them for their commission. That example is not very troublesome as the purchaser should be able to protect themselves. However, it does add a new dimension to the sale that may not be anticipated.

As indicated above we have not been able to devote a great deal of resources to consider this matter, however, it appears that its impact upon the local business community generally would be for the most part inconsequential, and the financial industry has already indicated their support of the Bill through the documents you provided us to review. In light of this it would seem that the benefits of this Bill outweigh its potential risks.