

CAYMAN INVESTMENT FUNDS – TERMINATION

KEY OPTIONS AND DATES FOR 2026 / 2027

AT A GLANCE

Action	Key Point / Planning Date
CIMA Deregistration	Deregistration must be completed and the fund's registration formally cancelled by CIMA before 31 December 2026 to avoid the 2027 CIMA annual fee. Target filing of a complete deregistration application by 31 October 2026 , where practicable.
Voluntary Strike-Off	Generally suitable for an entity that is no longer operating and has no assets or liabilities. File by 3 November 2026 to target a strike-off effective 31 December 2026 .
Voluntary Liquidation	Generally more appropriate where the entity has conducted substantive business, entered into contracts, has actual or potential liabilities, or requires greater finality. Seek advice and commence preparations by 1 November 2026 .
Important Distinction	CIMA deregistration terminates the fund's regulated status. Strike-off or voluntary liquidation terminates the Cayman legal entity. These are separate processes.

Overview

As the 2026 year-end approaches, sponsors, managers and operators of Cayman Islands investment funds should begin planning early if they intend to terminate a fund and avoid incurring additional regulatory and government fees in 2027.

For a regulated Cayman investment fund, the wind-down will generally involve **CIMA deregistration** and, where the underlying Cayman entity is also to be terminated, **voluntary strike-off or voluntary liquidation**.

Importantly, CIMA deregistration does not itself dissolve the Cayman entity. A separate strike-off or liquidation process will therefore generally be required to bring the entity's legal existence to an end.

CIMA Deregistration of Cayman Investment Funds

A Cayman mutual fund or private fund that has ceased, or intends to cease, carrying on business as a regulated fund must take the necessary steps to deregister with CIMA.

Common circumstances giving rise to deregistration include:

- completion of the fund's investment programme;
- full redemption or repayment of investors;
- restructuring into another vehicle; or
- migration to another jurisdiction.

Typical Deregistration Process

Step 1	Decision to Cease Business and Notification to CIMA	The fund must pass a resolution and notify CIMA within 21 days of ceasing, or formally intending to cease, to carry on business as a fund. Broadly, cessation occurs when the fund's operators determine that the fund has ceased conducting investment activities with a view to generating profits or gains. The disposal or realisation of remaining assets for the purpose of returning capital to investors does not, of itself, necessarily prevent the fund from being regarded as having ceased business.
Step 2	Completion of Final Audit	The fund will generally need to complete and file its final audited financial statements, or obtain any applicable audit waiver, as part of the deregistration process. In practice, completion of the final audit is frequently one of the most time-consuming aspects of the exercise.
Step 3	Application for Deregistration	Once the applicable deregistration requirements have been satisfied, the fund may submit its application for cancellation of its licence or certificate of registration through CIMA's REEFS system.

Requirements for CIMA Deregistration

Before deregistration can be completed, the fund must satisfy CIMA's applicable deregistration requirements and be in **good standing**. This will generally include:

- payment of the applicable CIMA termination fee and all outstanding CIMA fees and penalties, if any;
- submission of the fund's original registration certificate, where required;
- submission of all outstanding audited financial statements, or obtaining any applicable audit waiver;
- filing of all outstanding Fund Annual Returns ("**FARs**"); and
- submission of the required operator resolutions or other supporting documentation confirming the date on which the fund ceased, or will cease, carrying on business as a fund in or from the Cayman Islands.

Key Dates for CIMA Deregistration

To avoid becoming liable for the 2027 annual CIMA fee, deregistration must be approved by CIMA before 31 December 2026. **Importantly, submission of a deregistration application before year-end is not sufficient: the deregistration process must be completed and the fund's registration formally cancelled by CIMA before year-end.**

As a practical matter, funds seeking to avoid 2027 CIMA annual fees should commence the deregistration process as early as possible. We recommend targeting submission of a complete deregistration application by 31 October 2026, where practicable, to allow sufficient time for CIMA's review and completion of the deregistration process before year-end.

After Deregistration – Strike-Off of the Cayman Entity

Following successful deregistration, a fund vehicle that no longer has assets, liabilities or ongoing obligations may seek voluntary strike-off from the Cayman Islands Registrar.

Strike-off is generally a cost-effective and streamlined termination option for an entity that is no longer in operation and has **no assets or liabilities**, no continuing third-party relationships and limited residual risk.

Typical Strike-Off Process

Step 1	Board approval confirming the company is solvent, has ceased trading, and has no assets or liabilities.
Step 2	Director's Affirmation in support of the strike-off application.
Step 3	Submission of strike-off application to the Registrar.
Step 4	Strike-Off by the Registrar – Subject to satisfaction of the applicable requirements, the company is struck from the Register on the applicable strike-off date.

Key Dates for Strike-Off¹

Application filing deadline	3 November 2026
Effective strike-off date	31 December 2026

To obtain a strike-off effective 31 December 2026, the completed voluntary strike-off application should be submitted to the Registrar by 3 November 2026, in accordance with the Cayman Islands General Registry's published 2026 strike-off timetable.

After Deregistration – Voluntary Liquidation of the Cayman Entity

Voluntary liquidation will generally be more appropriate for entities that have carried on substantive business, entered into contractual relationships with third parties, have actual or potential liabilities, or where greater certainty and finality of dissolution is desired.

Typical Voluntary Liquidation Process

Step 1	Directors confirm the company is solvent and resolve to recommend a voluntary liquidation.
Step 2	Shareholders pass the requisite resolutions to place the company into voluntary liquidation and appoint a voluntary liquidator.
Step 3	Notice of the voluntary liquidator's appointment is filed with the Registrar , and the required notices are published in the Gazette.
Step 4	The voluntary liquidator settles the company's affairs , prepares final accounts and reports, and convenes the final general meeting.
Step 5	Final Meeting, Final Return and Dissolution – Following completion of the liquidation, the voluntary liquidator convenes the final general meeting and makes the required final filing with the Registrar. The company is deemed dissolved three months after the Registrar registers the final return.

Key Dates for Voluntary Liquidation

Although the liquidator's work may often be completed within **approximately six weeks**, a Cayman company is generally dissolved three months after the final return is registered by the Registrar.

¹ https://www.ciregistry.ky/wp-content/uploads/dlm_uploads/Strike-Dates-2026.pdf

Entities wishing to avoid 2027 annual government fees should commence preparations well in advance. It is recommended that advice be sought and onboarding and pre-appointment requirements be commenced by 1 November 2026. The final general meeting and the filing of the statutory final return should be completed by 29 January 2027.

Voluntary Liquidation vs Strike-Off

	Voluntary Liquidation	Strike-Off
When appropriate	Suitable for entities that have carried on business, entered into contracts, have actual or potential liabilities, or require greater certainty and finality as to the dissolution of the entity.	Suitable for entities that have ceased operations, have no assets or liabilities, no ongoing third-party relationships and limited residual risk.
Principal advantage	Formal statutory winding-up process offering greater procedural certainty and finality.	Lower cost, simpler process .
Principal consideration	Greater cost and administrative requirements.	Company may be restored for up to 10 years after strike-off.
Indicative timing	In a straightforward case, the active liquidation process may be completed in approximately six weeks, although the actual timing will depend on the company's circumstances.	Processed on quarterly strike-off dates set by the Registrar.
2026/2027 planning date	Seek advice and commence preparations by 1 November 2026. To avoid 2027 annual government fees, the final general meeting must be held and the statutory final return filed by 29 January 2027.	Strike-off application to be submitted by 3 November 2026 for a 31 December 2026 strike-off date.

Other Termination Requirements

Depending on the fund's circumstances, additional notifications, filings, deregistrations or deactivations may be required in connection with FATCA, CRS, economic substance and other applicable regulatory or tax requirements. These matters should be considered as part of the overall wind-down process.

How We Can Help

We are pleased to assist in:

- advising on and coordinating the appropriate termination route, including CIMA deregistration, strike-off or voluntary liquidation;
- coordinating CIMA deregistration applications and regulatory filings;
- liaising with auditors, administrators and other service providers to complete final filings;
- preparing strike-off or voluntary liquidation documentation; and
- coordinating with Cayman counsel and other service providers to manage the overall wind-down process and help minimise future regulatory and government fee obligations.

If you would like to discuss the termination of a Cayman investment fund, please do not hesitate to contact us.