



CAYMAN RISING



A Special Advertorial Section for 'Grand Cayman Magazine'



Cayman RISING

New Jobs, New Projects, & New Opportunities



It's a time of change and transformation. While the prolonged worldwide recession left few countries unscathed, including the Cayman Islands, there is good news on the horizon.

In the wake of the financial meltdown, few countries are as positively positioned as the Cayman Islands to strengthen, diversify, and transform its economic landscape.

Major private sector projects, along with a number of government initiatives, are poised to bring thousands of new jobs, new opportunities and substantial economic growth to these shores.

Ready-to-go projects include Dr. Devi Shetty's healthcare city, the multiple developments of the Dart group, the establishment of a special economic "free zone," construction of luxury condominium developments such as WaterColours, and the recapitalization and multi-million dollar refurbishment of the Marriott Beach Resort, to name a few.

These sizeable projects will transform the nation, building a more diverse economy, and a brighter, more prosperous future. In short, these multi-faceted developments will give rise to a new era for Cayman.

HEALTHCARE CITY

One of the most far-reaching projects that will spur economic growth is the groundbreaking Narayana Cayman University Medical Center, which is moving forward in 2012.

Cayman's healthcare city is the vision of Dr. Devi Shetty. The world-renowned Indian philanthropist and heart surgeon revolutionized medical care in India, where he introduced high-quality, high-volume, low-cost private hospitals.

Late last year, developers finalized the purchase of the site in the district of East End, a major step for the multiple-phase 15-year project. The site will eventually include a 2,000-bed hospital, medical research unit, assisted living homes, a biotech research center, and a medical education facility. The first phase is expected to break ground mid-year, with 150 beds slated to open in 2013.

The \$2-billion project will greatly contribute to the economic health of the country, and the health of its citizenry, by creating jobs, diversifying the economy, and providing vast research and education opportunities now, and well into the future.

DART INTERESTS

It's the largest public-private sector agreement in the history of the Cayman Islands. The landmark deal struck in 2011 between government and the Dart Group is expected to move forward this year in the form of new hotels, roadways, and other infrastructure, and social and cultural enhancements. Dart plans to invest \$1.2 billion over the next 30 years.

Among the projects on tap is the redevelopment of the former Courtyard Marriott Hotel. The project requires moving 2,000 feet of West Bay

Ready-to-go projects include Dr. Devi Shetty's healthcare city, the multiple developments of the Dart group, the establishment of a special economic "free zone," and construction of luxury condominium developments such as WaterColours



The planned housing community at Camana Bay.

Road to develop it into a new four or five star resort, which will become beachfront property. Dart is funding the extension of the Esterly Tibbetts Highway into West Bay, including land purchase and construction of the new road.

It has also committed funding for a number of community projects including schools, district parks, and affordable homes. Dart will also cap and remediate the George Town landfill and provide land for a new solid waste management site in Bodden Town that will be operated by government.

Plans are also under way to build out more of its planned residential phases in Camana Bay, creating jobs and new opportunities for local businesses.

It is a significant partnership that is future-focused, with the best interests of Cayman in mind.

DEVELOPMENT AND REVITALIZATION

Several luxury developments on island are picking up steam this year. Among them: Oceana, located on the waterfront in South Sound near George Town; construction of 28 beachfront residences at Rum Point Club Condominiums;

and WaterColours, a luxury, nine-storey condominium project on Seven Mile Beach.

The Grand Cayman Marriott Beach Resort will also be transformed in 2012. Private Equity Group became partial owners of the resort last year, and has committed \$15 million to refurbish the property. Work is expected to begin this summer.

The resort's 295 guest rooms will all be renovated, as well as the corridors, lobby, ballroom, meeting rooms, restaurants, and landscaping. The recapitalization of the Seven Mile Beach resort is another encouraging sign that the island is poised for growth and transformation.

ENTERPRISE CITY

Another new "city" is ready to spring up in Cayman. The proposed Cayman Enterprise City is a special economic zone that is expected to create thousands of jobs and attract new global investment.

The commercial business park will focus on knowledge and technology industries such as IT, bioscience, and communications.

Among the benefits for companies setting up in this zone: no income tax, no corporate tax, no capital gains tax, 100 per cent foreign ownership, 100 per cent repatriation of profits, reduced work permit fees and no import duties on most items.

The developer intends to build 500,000 square feet of leasable space in phases during the next decade. Special economic zones are found throughout the world, and Cayman Enterprise City would be the first of its kind in the Caribbean.

PORT DEVELOPMENT

Sophisticated and up-to-date infrastructure is key to remaining competitive in the tourism market, making the need for a cruise ship berthing facility in the downtown harbor a priority.

Premier McKeeva Bush signed an extension to a Memorandum of Understanding with the China Harbour Engineering Company late last year to finance and build the \$300 million port.

The plan is to expand the dock to allow large cruise ships direct access, thus eliminating the need to use smaller tender boats to ferry pas-



A new downtown port will be built for visiting cruise ships.

Port facilities would enhance Cayman's competitive edge as the cruise lines choose to go where their passengers have the best experience.

sengers from the cruise ship to the harbor. Port facilities would enhance Cayman's competitive edge as the cruise lines choose to go where their passengers have the best experience – and that includes destinations with piers.

While the number of cruise visitors has declined, an encouraging sign is air passenger arrivals have been steadily growing for more than a year.

POISED FOR GROWTH

Cayman's financial services sector is poised for growth. A recent push to attract reinsurance capital to Cayman will broaden the island's financial scope, luring new business and creating a wealth of opportunity. Government is putting in place a range of incentives and enhanced regulations to attract new business. Amendments to the Cayman Islands Insurance Law 2010 will likely include immigration incentives for the reinsurance industry, such as 10-year work permits, reduced permit fees, and faster processing of applications.

While Cayman's hedge fund industry experienced losses to lower-cost countries, administrators are seeing an upturn in the market and are planning for growth. And, like the reinsurance industry, the government is courting new business through such incentives as immigration concessions to smooth the path for the industry. The country remains an attractive jurisdiction for the fund administration, drawing high-level professionals and boasting a range of complementary professional service providers such as law firms and the banking sector.

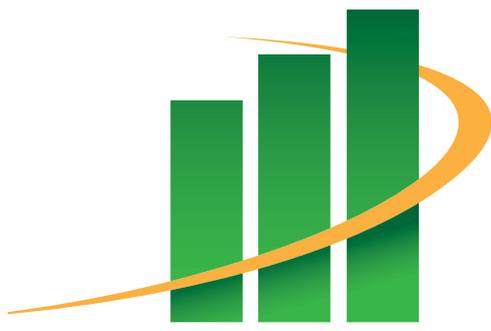
From hedge funds to healthcare, from new hotels to new industry, Cayman's economic outlook is on the rise once again. ■■



Cayman Enterprise City is planned for Savannah.



Dr. Shetty's 'Healthcare City' will break ground this year.



Dart Realty Growing Communities Through Public Private Partnerships

ForCayman Investment Alliance

In 1995 Dart Realty (Cayman) Ltd. opened its doors in the Cayman Islands – a journey which started more than 20 years ago when the Dart family took a vacation.

The Darts were initially drawn to Grand Cayman’s marine environment and beaches. Once here, they discovered the island was so much more. It had a sophisticated infrastructure that supported the island’s position as a leading offshore financial center and a stable business platform from which other industries operated. This, together with the existence of a diverse and talented workforce, strengthened their growing belief that they could live in, and operate their businesses from, Cayman, leading them eventually to purchase a home, open a business, and to call Grand Cayman home.

This conversation with members of Dart Realty’s Board of Directors – Jim Lammers, Managing Director, Mark VanDevelde, Chief Executive Officer, and Jackie Doak, Chief Operating Officer – provides a unique insight in to the business, the business philosophies they live by, and the recently executed National Roads Authority (NRA) Agreement.

Why does Dart Realty continue to invest in Cayman when many companies are on hold or have completely withdrawn?



Jackie Doak

Jackie Doak: Dart Realty is committed to contributing to the success of the Cayman Islands and the company’s capital base enables us to have a long-term view on our investments and developments. This strong capital base also allows us to endure the unpredictable global economy and the challenges of delivering multiple large-scale development projects aligned with our vision of sustainable development, thoughtful design, and community-centered living.

What is the ForCayman Investment Alliance?

Jim Lammers: The ForCayman Investment Alliance is a partnership between the Cayman Islands Government and Dart Realty and represents a tangible demonstration of Dart Realty’s

desire to contribute to the economic turnaround of the Cayman Islands. In December 2010, Dart approached Government to discuss development incentives and a proposal to site a modern waste management facility, both capable of accelerating the release of hundreds of millions of dollars and creating a short-term boost to the local economy as well as solutions to national issues. Over the next six months, in the face of severe fiscal constraints and a series of urgent national needs, Government and Dart expanded the discussions and analyzed where the two parties could work together to address important national challenges.



Jim Lammers

This resulted in the ForCayman Investment Alliance, a multi-faceted investment alliance structured to span decades, which we feel represents an innovative approach to addressing important island infrastructural and economic development needs, needs that can perhaps best, and in some cases only, be addressed by a public-private partnership.

How does the recently signed National Roads Authority agreement tie in to the ForCayman Investment Alliance?

Jackie Doak: The spirit and intent of the alliance is to get people back to work, achieve funding for necessary infrastructure and community-based projects, and incentivize Dart Realty to continue its investment and development in the Cayman Islands. The NRA Agreement is the first agreement executed under the ForCayman umbrella, the signing of which initiated the construction of the Esterley Tibbetts Highway (ETH) extension to



A small group of the 30-strong workforce working on clearing land in preparation for the northward extension of the Esterley Tibbetts Highway.



Employee of Dart Realty handing out seedlings at a Growing Communities – Dart Family Fun Day.

Batabano Road in West Bay. It also facilitates the closure of a section of West Bay Road, providing design flexibility for the redevelopment of the former Courtyard by Marriott. This allows a seamless interaction between the hotel, pool, and beach areas, giving guests and residents easy and safe access to the beach and beachside amenities which is critical to the success of the hotel. On signing, we provided funding of US\$5 million to be used by Government for educational, community and training programs, parks and housing initiatives as well as a “Save the Mortgage” program.

Dart is funding \$35 million in road infrastructure and US\$5 million for community, educational, and mortgage arrears programs. How is Dart being paid back?

Jackie Doak: This is not a loan arrangement with Government. Instead, in exchange for the US\$40 million in funding, Government negotiated that we could recover up to US\$24 million through development related fee concessions and abatements. This is important as it creates the on-going incentive for us to continue developing in Cayman. If we don't, we will recover nothing. To put this into perspective, for us to recover through development, we need to invest and develop in the Cayman Islands in excess of US\$350 million.

Can you expand on the independent review provisions in the NRA Agreement?



Mark VanDevelde

Mark VanDevelde: The purpose of the independent review is to provide Government with an analysis of the objectives, goals, and components of the NRA Agreement and determine whether it provides value to the Government and the people of the Cayman Islands. The independent review provisions provide for a three-month review period that allows Government to consider the results of the independent review, suggest amendments, or terminate the NRA Agreement. Dart fully endorses the independent review and complies with all Cayman Islands laws, legal requirements, and procedures; and, in the meantime, while the independent review is under way, works have started on the ETH extension under the regulatory supervision of the National Roads Authority.

Jackie Doak: In a perfect world, the independent review would have been conducted prior to executing the NRA Agreement, but given the urgent need to get projects under way and people back to work, the decision was made to sign the NRA Agreement with the condition that the road closure would not legally occur until the findings of an independent review were received and accepted by the Government.

Can you provide some insight in to Dart Enterprises – the company that is so obviously committed to the Cayman Islands?

Mark VanDevelde: The portfolio of companies that make up Dart Enterprises Ltd. has grown over the past decade and make a substantial contribution to the Caymanian economy. With its infrastructure and real estate development, commerce and diversified investments, conservative estimates calculate the total injection in the local economy to be more than three quarters of a billion dollars since its inception. Directly, or through subsidiary companies, Dart Enterprises locally employs more than 520 people and through its vendors, subcontractors,



Groundbreaking ceremony of the Esterley Tibbetts Highway Extension

and business partners, contributes to the employment of several hundred more. In 2011, while most companies were keeping their head counts flat or laying off staff, the Dart group hired nearly a hundred people, more than 60 percent of whom were Caymanian. Looking ahead in 2012 and beyond, the Dart group expects the redevelopment of the hotel to create more than 350 new jobs during the construction phase alone, most of which will come through the subcontractors and vendors hired on the project.

Jim Lammers: The Dart group has provided work and strategic partnerships to Caymanian entrepreneurs and established business owners across a range of local businesses. In the spirit of creating opportunities for local residents and creating employment, Dart encourages its business partners to hire Caymanians and will be monitoring the number of Caymanians employed by subcontracted firms engaged on ForCayman related projects. ForCayman has support from the business community, with a group of more than 30 local businesses and business leaders proactively advertising in the paper to enthusiastically urge the Government to expedite agreements and get the projects started.

Some Caymanian business owners confirm this in their own words . . .

“Hydes and Sons has worked with the Dart Group of Companies for many years and enjoys an excellent working relationship. We will continue to support the Dart Group in their plans for future developments. I also believe the ForCayman Investment Alliance will benefit the people of the Cayman Islands.”

—Ray Hydes, Hydes & Sons Ltd.

“I support the ForCayman Investment Alliance and believe it will benefit Caymanians considering the difficulties happening in the world

Dart Realty is committed to contributing to the success of the Cayman Islands and the company's capital base enables us to have a long-term view on our investments and developments.

today. We are truly blessed to be working with a company like Dart.”

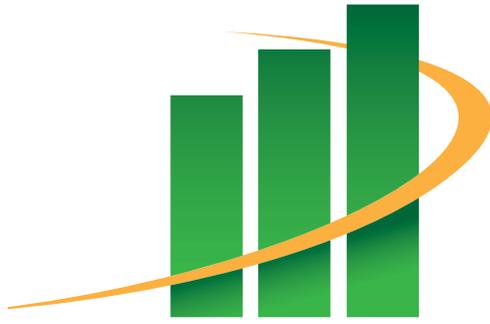
—Bob Watler, Watlers Metal Products

“As a Caymanian and an employer, I have never seen it this bad in terms of the volume of people looking for work. Time is of the essence; work is needed immediately and the numerous jobs created by the ForCayman Investment Alliance project will provide overwhelming relief to many people.”

—Dean Scott, Island Builders

Mark VanDevelde concludes: The ForCayman Investment Alliance builds on what our company has been doing for the past decade in Cayman: investing in the country, investing in the development and growth of our employees, and investing in the communities of the Cayman Islands through our community parks and philanthropic giving. We are proud to partner with the Government and to be part of the economic rejuvenation, which will provide meaningful employment, much needed national infrastructure, and community programs for this country that we all call home. 🏗️

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The WaterColours

Unparalleled Beachfront Living

Those seeking the solace, sophistication and simplicity of beachfront living have a brand new address to explore: The WaterColours.

Designed for seamless luxury living, indoors and out, this upscale residential development has an enviable address on Grand Cayman's world famous Seven Mile Beach and features an outstanding collection of amenities that is second to none. It's what makes this oasis of island living truly exceptional.

These exclusive condominiums offer all of the sophisticated services, indulgences and personal touches associated with the most glamorous five-star resorts — spanning from valet parking and concierge services to a beachfront conservatory complete with a chef's kitchen.

The WaterColours features 60 private residences with spacious three- and four-bedroom floor plans, starting at 3,605 square feet, along with its select "Grand Residences" starting at 7,241 square feet. All residences in the nine-storey luxury development face the water for unparalleled oceanfront views.

Constructed to the highest specifications and safety standards, each residence features open-concept floor plans with superior living spaces that celebrate style, form and function.

EXCEEDING EXPECTATIONS

This residential retreat is the masterpiece of the development group whose list of luxury condominium projects includes Water's Edge, a prestigious development on Seven Mile Beach that was shortlisted for the esteemed 2010 Governor's Award for Design and Architectural Excellence in the Cayman Islands.

The development group is known to exceed expectations with each project it undertakes, consistently taking into consideration innovative and flexible design and environmentally friend-

ly elements while raising the standards of construction and building safety — and luxury living — on Seven Mile Beach.

The WaterColours is no exception — it will be unlike any other luxury condominium project on the beach. Its noted architectural team includes John Redmond of John Redmond & Associates and Michael Meghoo, principal architect and co-founder of MJM Design Studio with his wife Joelle.

The developer is Fraser Wellon, whose projects are well known in Cayman and throughout the Caribbean for their exclusivity, attention to

concepts for the beachfront owners' conservatory, outdoor living areas, boardroom, manager and security offices and owners' guest suites. The team also provides turnkey and custom furnishing packages for the owners' personal residences.

GRAND STYLE

For the ultimate in luxury living, step into the Grand Residences at The WaterColours. These three one-of-a-kind double units include more than 7,241 square feet and feature an open-concept design with a 70-foot expanse of uninterrupted living space, ideal for family living and gracious entertaining.

"The Grand Residences offer the opportunity to achieve spatial arrangements expected in a primary residence but not easily found in beachfront residences," notes architect Michael Meghoo. "The grand foyer provides gallery space for displaying art and collectables, and the view from the foyer gallery is continuous with vistas across the sea and into the horizon. The transition between the foyer gallery and living areas is fitted with a full-fledged theater and wine cellar. The oceanfront living, dining and lounge spaces provide unparalleled views through expansive sliding glass doors."

These spaces are serviced by state-of-the-art main kitchens, which also have ocean views and feature a built-in informal dining

area. In addition to the main kitchen, these residences are equipped with separate enclosed chef's kitchens.

The Grand Residences offer six bedroom suites, with en-suites and generous walk-in closets. The master suite is positioned with prime views along the oceanfront terrace, with the master en-suite providing every amenity one could require.

ENDLESS AMENITIES

Indeed, amenities at The WaterColours will surpass anything that has come before on Seven Mile Beach.



DESIGN EXCELLENCE

Each residence features open-concept floor plans
 with superior living spaces
 that celebrate style, form and function.

detail and superior quality. In December of 2011, the Cayman Islands Real Estate Brokers Association and the Multiple Listing System presented an award to recognize his outstanding contribution to the real estate industry and ongoing commitment to developing projects to the highest standards.

The development team has partnered exclusively with International Design Group (IDG), Cayman's leading interior design team and purveyors of fine furnishings, for The WaterColours. On board since the conceptual stages, IDG will focus on creating unique, uniform and modern



Owners' Guest Suite



The Grand Entryway to The WaterColours



State-of-the-Art Fitness Studio

“One of the main features that will set us apart from all other developments on Seven Mile Beach is our exceptional level of service on the property,” notes Steve Henderson, part of the development group. “As expected from this level of luxury living, The WaterColours will have a full-time on-site concierge to manage all resident expectations with daily personalized service.”

Residents have access to 20,000-square feet of common-area amenities, including a beautifully appointed pool deck, an elegant owners' conservatory complete with a professional chef's kitchen, wine cave, a fully equipped boardroom, and sunset bar service.

And the amenities continue. The WaterColours will offer private under building parking and storage with valet attendant, a small fleet of luxury vehicles for the private use of the residents and their guests, an airport pick-up and drop-off service, and 24-hour security. Four on-site guest suites can accommodate guests or staff.

There will be a well-equipped fitness studio and a private massage room for relaxation or physiotherapy.

The sea-facing infinity pool is sure to be one of



Well-Appointed Beachfront Owners' Conservatory

OUR AMENITY COLLECTION

- State-of-the-art fitness studio
- Beachside infinity pool
- Private massage room
- Beachfront owners' conservatory with wine storage and full chef's kitchen
- Concierge services
- Boardroom
- Owners' guest suites
- Private under building parking and storage
- Valet parking
- On-site luxury car service
- 24-hour security

SCAN. EXPLORE.



the most talked about on Seven Mile Beach. With more than 200 feet of vanishing edge, the expansive pool will complement the transitional design of the building's interior and exterior, complete with side flanking fountains and a whirlpool rising from the pool's surface as a column of continuous flowing water.

As the completion of Grand Cayman's newest luxury residence draws nearer, the opening of The WaterColours will be a highly anticipated event – especially for those fortunate enough call one of these extraordinary luxury residences home. 🌴



the WaterColours
GRAND CAYMAN

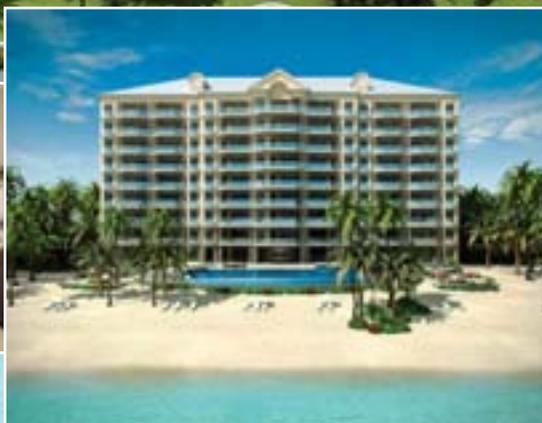
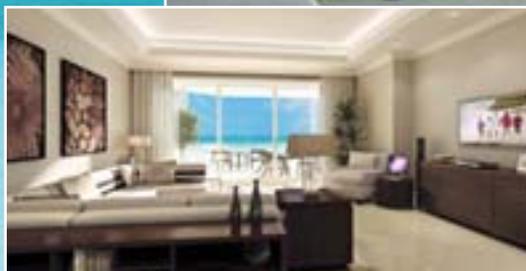
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RE/MAX Cayman Islands
Kim Lund (345) 949-9772
kim.lund@remax.ky

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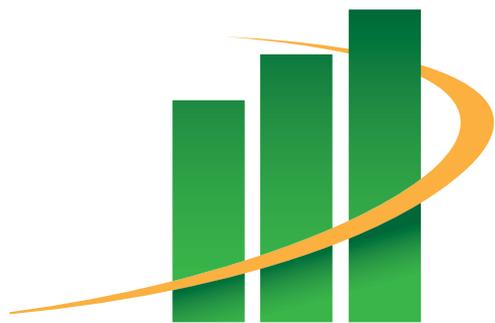
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Ernst & Young Leading the Hedge Fund Sector

The Cayman Islands is the world's leading jurisdiction for the registration of hedge funds – approximately 10,000 funds are domiciled here – and Ernst & Young, both globally and locally, is a recognized market leader in providing professional services to the fund sector.

For more than 25 years, Ernst & Young has been the preferred service provider for hedge funds. The Ernst & Young hedge fund practice is led by highly skilled professionals including more than 200 partners, principals and executive directors and 2,000 industry-focused professionals. Teams are located in key financial centers throughout the world to serve clients where they need service, providing firsthand insight on local market trends and accounting, tax, and regulatory issues.

The numbers, as accountants might say, tell the story. Internationally, Ernst & Young:

- Audits approximately 40 percent and provides tax services to approximately 50 percent of the top 100 Global Billion Dollar Club hedge funds
- Audits approximately 40 percent and provides tax services to approximately 50 percent of the top U.S. hedge funds
- Audits 40 percent of the top 50 European hedge funds
- Audits more than 50 percent of the top 25 Asian hedge funds
- Audits almost 40 percent of the top 50 global fund of funds

As part of Ernst & Young's commitment to the hedge fund sector, the firm conducts a series of symposia in 20 locales throughout the world, including the Cayman Islands. This year marked the third Cayman event at the Ritz-Carlton Grand Cayman. Ernst & Young Ltd., Cayman Partner Jeffery Short moderated the event. His Excellency



Ernst & Young Regional Managing Partner Dan Scott opens the Global Hedge Fund Symposium at The Ritz-Carlton, Grand Cayman.

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the Governor, Mr. Duncan Taylor, who was introduced by Ernst & Young Ltd. Regional Managing Partner Dan Scott, welcomed the more than 200 local and offshore hedge fund practitioners and service providers in attendance and underscored the importance of the industry to the Cayman financial community.

In a panel led by Flavio Peppe, Managing Partner, Ernst & Young Terco, Brazil, Maples attorney Simon Firth pointed to the burgeoning Brazil economy as a "significant opportunity for Cayman service providers that is currently being missed." He urged local service providers to forge relationships with their counterparts and asset managers in Brazil. "If we develop these relationships," he said, "we will

have their business forever; if we don't, we will lose it."

Showcased at the symposium was the recently released Ernst & Young Global hedge fund survey 2011. The survey, now in its fifth year, is widely regarded as a bellwether of industry trends and investor sentiment. Mike Mannisto, Partner, Ernst & Young Ltd., Cayman and Tiffany Norris-Pilcher, Partner, Ernst & Young Ltd., Bahamas, led a discussion on the survey. Among the survey highlights:

- Succession is relatively under-developed as a concept among hedge fund managers while investors are increasingly seeing it as important. Key man risk, the foreword to the survey

concludes, "is likely to be an increasing feature in determining where investors place their money. Investors appear to be ahead of many managers in trying to think this through, and it is becoming clear that cogent and cohesive succession plans – for both the business and for portfolio managers – will become a determining factor in their decisions."

- Due diligence processes have lengthened and investor monitoring has become more intense: "Investors have become more concerned with operational due diligence and internal controls. Capital is flowing to funds that may at times have mediocre performance, but have robust infrastructure, strong management teams and reputable outside administrators."

- In a foreword to the survey, written by Arthur F. Tully, Co-Leader, Ernst & Young's Global Hedge Fund Practice (and who spoke at the symposium) and Ratan Engineer, Global Asset Management Leader, the authors conclude:

"Considerable uncertainties haunt the markets and if the current turmoil spills over into a crisis, 2008 may well pale into insignificance. Hedge funds, or at least the best of them, should turn this to an advantage, and some are already doing so. So despite the gathering storm in the markets, and despite the best



Rohan Small (left) leads a panel with Michael Serota, Jim Kickham, and Claire Loebell.

As part of Ernst & Young's commitment to the hedge fund sector, the firm conducts a series of symposia in 20 locales throughout the world, including the Cayman Islands.

efforts of some misguided regulators, managers will determinedly survive. They alert us in this survey to trends such as the consolidation in the industry, greater institutionalization and greater transparency continuing and being reinforced . . . The industry may well be coming of age, and let us hope we can look back at these dark days and sincerely say that this was its finest hour."

Rohan Small, Partner, Ernst & Young Ltd., Cayman, moderated a panel on "Hot Topics in the Industry," which included Michael Serota, Co-Leader, Ernst & Young's Global Hedge Fund Practice, Jim Kickham, Senior Manager, Ernst & Young LLP, New York, and Claire Loebell, Senior Manager, Ernst & Young Ltd., Cayman.

Mr. Serota cited a "watch-and wait" investor environment in the lead up to the U.S. presidential elections.

He noted that there were 11 tax revenue measures currently under consideration in Washington, including the expiration of the Bush tax cuts and, importantly, a tax on financial transactions.

Mr. Kickham identified as a "hot topic" the challenge of financial institutions to comply with the Foreign Account Tax Compliance Act, better known as FATCA.

Mr. Kickham suggested that Ernst & Young could assist clients on FATCA issues by guiding them through a three-stage process: 1) Assessment of their current situation, including an evaluation of the quality of data, systems, and processes, 2) Implementation, including any



Governor Duncan Taylor welcomes guests to the Ernst & Young Ltd., Cayman Hedge Fund Symposium.

changes which need to be made to update data and processes, and 3) Compliance, which includes the actual collection and validation of the data, and, ultimately filing with the IRS.

Mr. Kickham cautioned that, despite the regulatory uncertainty and, in many cases, institutional disarray regarding FATCA, "It's unlikely to go away."

The "Keynote Address" was actually a wide-ranging fireside chat between Arthur Tully and Todd Groome, Chairman of the Alternative Investment Management Association (AIMA).

Mr. Tully observed that the hedge fund industry was in the midst of "a profound transformation," with investor demand for increased transparency, reduced fees, and better governance dovetailing with regulators' demands for



Arthur Tully and Todd Groome deliver a joint keynote discussion on the evolution of the hedge fund sector.

more data, stricter limits on risk-taking, and better operational infrastructure.

Mr. Groome concurred, adding that a pronounced change in the hedge fund industry was a shift toward institutionalization. "Institutional investors are here to stay and will have an increasingly large influence in the structure and strategy of funds," he said. Institutional investors, such as pension funds, are looking to hedge funds to outperform volatile markets over the business cycle and preserve capital in down markets. He said the fund industry was responding to the needs of institutional investors by providing increased transparency, better reporting, and greater control of the assets. ■

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Cayman
Islands

Sotheby's
INTERNATIONAL REALTY



From Top Left: Adolfo Alba,
Angi Arcscott, Basia Harris,
Bianca Hurlstone,
Heather Carrigan, Stacie Hood,
Karina McDermot, Patty Nugent,
Sheena Conolly, and
Jonathan Sparrow



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It's a banner year for Sheena Conolly, and the select team at Cayman Islands Sotheby's International Realty.

The owner/broker is celebrating two milestones: 10 years since opening her own real estate venture in Cayman, and five years since landing the prestigious Sotheby's International Realty (SIR) global brand.

"It's a double anniversary for me," says Conolly. "I am looking forward to an exciting time ahead. We really have some dynamic new programs that will put our company, and the Cayman Islands, in the global spotlight."

Conolly and her team are already making inroads with innovative marketing programs and a referral system that links to a network of over 11,000 sales associates in more than 500 offices worldwide.

The SIR brand has been experiencing tremendous growth in recent years, with the Cayman Islands affiliate enjoying a heightened profile from its strong market positioning.

"Sotheby's reach, clientele, and initiatives are revolutionary," says Conolly. "This is a company with a global referral system and network that is truly like no other."

It's what makes it such a good fit with Conolly's own vision and philosophy in the real estate realm. She started her realty career as an independent contractor, building an enviable profile through stylish, bold, and savvy marketing that quickly made her a household name. After eight years, she decided to strike out on her own, establishing Sheena Conolly Real Estate.

"My goal was to design a realty company with a difference," she says. "I wanted to set up a service driven, welcoming boutique-style firm, and build a team of people who could work harmoniously together to ensure the highest level of care and client service."

Conolly started out by setting up two small cottage real estate offices in Grand Cayman, later amalgamating to a larger space in West Shore Center. After earning the prestigious Sotheby's International Realty brand — which only grants affiliations to brokerages and individuals meeting strict qualifications — Conolly opened a gallery premises in the more upscale Governors Square on the world famous Seven Mile Beach strip.

Remaining true to stringent brand standards while preserving local company and agent individuality, Cayman Islands Sotheby's International Realty has more than doubled in size to now include an experienced team of eleven highly regarded experts in luxury real estate. Several have been with Conolly for years — some from the very start. It speaks volumes for her leadership style, loyalty, and expectations.

"The benchmark I set for myself is a very high one — and also for those who work with me," she says. "I've always been passionate about everything I've embarked upon. And I am competitive by nature — it runs in my genes."

That stems from her background growing up in her native N. Ireland, where she learned the ropes working in sales and marketing for her father's sports company. In school, she vigorously pursued everything from sports to music to car racing. She studied at Cornell University, and worked at a high-end destination resort in the Caribbean where she eventually met her future husband, architect Burns Conolly. When she moved to Cayman, Conolly made a career change from the hospitality industry to real estate.

Conolly says it's been a demanding but rewarding career, with vast opportunities in the field. Sotheby's now offers their exceptional clientele boutique service for Wines, Diamonds and International Realty alongside the heritage auction house, founded over 250 years ago. The Cayman office is now positioned for growth, innovation, and inspiration into 2012 and beyond.

"I feel so fortunate they approached me," says Conolly. "What a privilege and a great opportunity. Cayman is well known as a financial center but is not always at the top of mind for those seeking a great place to reside, develop, or have a second/holiday home. I am determined to spread that positive message, and put the lifestyle of our Islands truly on the map internationally."

Cayman was recently in the spotlight when Sheena Conolly appeared in a New Years Day segment of HGTV's Million Dollar Rooms, showcasing a lavish living room in one of Cayman's most distinctive homes. (The episode can be viewed at: www.channel-8-ent.com/milliondollarroc.html)

Sotheby's International Realty marketing initiatives are also driving many new opportunities and brand awareness. Among them: the launch of SothebysRealty Channel on YouTube; social media initiatives and exclusive partnerships with such renowned media as *The New York Times*, *BBC*, *The Times*, *Wall Street Journal*, *The Globe & Mail*, and *South China Morning Post*; mobile uploads allowing consumers to view Sotheby's listings worldwide; and the unveiling of its newly redesigned website featuring a multitude of languages, www.sothebysrealty.com.

"It's been really extraordinary," says Conolly. "I'm very proud to be part of this distinguished group, and I know that it is going to benefit the Cayman Islands tremendously."



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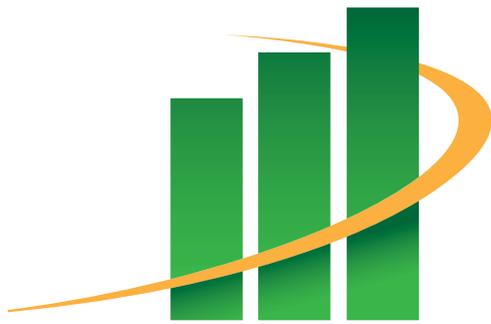
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The iPhone 4S Debuts in Cayman

It's the talk of the town! The Apple iPhone 4S is now available exclusively through LIME – taking innovation to the next level.

Another first from LIME, the iPhone 4S will again change the way people communicate. While it retains the exterior design of its predecessor, the iPhone 4, the new iPhone 4S comes loaded with top-end technology that makes it the most amazing iPhone yet.

Among the new features: a faster processor, improved camera, high-definition video recording, twice the storage, and a smarter virtual assistant called Siri, Apple's voice recognition service. Just like a personal assistant, simply talk to Siri – and it will answer. Siri can send text messages by voice-command, schedule meetings, set reminders, and make phone calls, among many other fantastic functions.

FaceTime lets you hear a voice and see the face that goes with it – iPhone to iPhone, iPad 2, iPod touch, or Mac over Wi-Fi. Making a FaceTime call is just as easy as making a phone call. And it's even easier with Siri. Just tell Siri "FaceTime with Mom," for example, and you show up, smile, and wave hello. You'll never miss a big event, an important meeting, or a good laugh.

Another great feature is cloud-sourced data, a breakthrough set of free services that work with your iPhone, iPad, iPod Touch, Mac, or PC to automatically and wirelessly store your content in iCloud and push it to all your devices. The LIME 4G/3G mobile network in the Cayman Islands is perfect for the demands of this masterful device, with the speed and the ability to push and pull all the data you need. The iPhone 4S is available in three models – the 16GB, the 32GB and the 64GB.

With certain plans, some customers will get the phone for free. Other plans are available – simply go online at www.lime.com/iphone, or stop in at any LIME location and talk to one of the sales reps.

Customers can upgrade from the iPhone 4 to the iPhone 4S. Existing LIME iPhone 4 customers with an iPhone plan may purchase the new iPhone 4S from LIME and retain their existing plan. (Note: In this case, the cost of the iPhone 4S will be the full retail price). You can pass on your iPhone 4 to a friend or family member, and they may register for the iPhone prepaid plan or one of the iPhone plans. 📶

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