

## KEY FACTS COMPANIES

ALL COMPANIES INCORPORATED IN THE BRITISH VIRGIN ISLANDS ARE ESTABLISHED UNDER THE BVI BUSINESS COMPANIES ACT, 2004 (“THE BVIBC ACT”).

### BVI BUSINESS COMPANIES

The BVIBC Act includes a number of important provisions that make the BVI business company (BVIBC) an extremely versatile and adaptable corporate entity for private portfolio holding companies, trading companies, mutual funds and property holding companies.

#### Significant Features of a BVIBC

- > A minimum of one shareholder and one director
- > Purchase and ownership by the company of its own shares is permitted
- > Statutory power is given to engage in any lawful activity
- > No public record is maintained as to the identity of shareholders, however a private register of directors must be filed with the Registry of Corporate Affairs within 21 days of the appointment of the company’s first directors; in addition, a BVIBC must provide information on the identity of its beneficial owner to its registered agent
- > Board meetings can be held anywhere in the world and can be conducted by telephone
- > Exemption from all BVI taxes and stamp duty
- > A foreign corporation can continue as a BVIBC provided the laws of the jurisdiction of original incorporation expressly permit it to continue to another jurisdiction
- > Corporate domicile can be changed to another jurisdiction
- > Directors have power to protect the assets of the company by transferring assets to trustees, another company or legal entity, for the benefit of the BVIBC, its shareholders or creditors
- > User friendly corporate governance rules, including limited statutory requirements governing maintenance of corporate records and preparation of financial statements
- > The board of directors can determine and amend, by resolution, the rights attaching to classes of shares
- > Incorporation procedures are straightforward and can normally be completed in one to two working days

#### BVIBC Statutory Fees

The government incorporation fee for a BVIBC with par value and no par value shares that is authorised to issue up to 50,000 shares is US\$450. If the authorised number of shares exceeds 50,000 the incorporation fee is US\$1,200.

The annual BVIBC licence fee is US\$450 where the authorised number of shares is less than or equal to 50,000 and US\$1,200 where the authorised number of shares is more than 50,000.

The annual licence fee is payable in each year following the year of incorporation. For companies incorporated in the first half of the year, the licence fee is payable by May 31. For companies incorporated in the second half of the year, the licence fee is payable by November 30. A 10% penalty is imposed on payments up to two months late. A 50% penalty is imposed on payments made between the third and sixth month after their due date. A company is struck off the Register if the licence fee is not paid before the sixth month after its due date.

As long as the company is not yet dissolved, an application for restoration to the Register can be made upon payment of the applicable government restoration fee and all outstanding licence fees and penalties. If the company remains struck off for a period of seven (7) years, it will be dissolved. Thereafter, an application must be made to the Court for restoration of the company to the Register. A company that remains dissolved for more than 10 years cannot be restored.

A continuation fee of US\$1,000 is payable where a company incorporated outside the BVI wishes to register as a BVIBC. Where the foreign company is authorised to issue more than 50,000 shares the continuation fee is increased to US\$1,500.

## LIQUIDATIONS

The BVIBC Act contains comprehensive voluntary and involuntary liquidation provisions. We can assist companies to comply with the statutory liquidation requirements of the Act.

## CAPTIVE INSURANCE COMPANIES

The Insurance Act, 1994, introduced for the first time to the BVI a comprehensive legislative and statutory framework for the establishment and management of captive insurance companies, brokers and managers.

The Act contains many of the features found in the insurance legislation of other offshore insurance domiciles including a formal licensing procedure, prescribed capital levels and ongoing reporting to the Inspectorate of Insurance with a lower government and management fee structure than is found in the older insurance domiciles. The BVI offers prospective insurance company owners a very competitively priced alternative insurance environment.

**Trident Insurance Management (BVI) Ltd**, a licenced captive insurance manager, offers a professionally qualified management service for BVI domiciled captive insurance companies.

- ▶ PEOPLE LED
- ▶ TECH ENABLED
- ▶ GLOBAL COVERAGE
- ▶ TAILORED SERVICE
- ▶ 1,100 STAFF
- ▶ 25 JURISDICTIONS
- ▶ 47,000 ENTITIES
- ▶ \$177BN AUA
- ▶ FUNDS
- ▶ PRIVATE CLIENTS
- ▶ CORPORATE CLIENTS
- ▶ MARITIME

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