

CHANGES IN THE BRITISH VIRGIN ISLANDS LEGISLATION

APRIL 2016

The BVI Business Companies (Amendment) Act 2016 (no. 19 of 2015 and no. 2 of 2016)¹ has been amended recently and has namely brought three important changes.

1. Filing of the Particulars of Directors

Filing of the particulars of the Directors is mandatory and began on 1 April 2016 for both existing companies and new companies. The Register of Directors will NOT be public and will only be available for inspection as a result of a court order or a written order from a competent BVI authority.

- 1.1. Existing companies which have been incorporated on or before 31 March 2016 will have a one year period to file the particulars of directors. Only the current directors' details will be shown.
- 1.2. New companies, incorporated from 1 April 2016 onwards will have a 21 day period from the date of appointment of directors to proceed with the filing.

Particulars that need to be filed are the following:

For Individual Directors:	For Corporate Directors:
<ul style="list-style-type: none">• Name• Address for the Service of Documents• Residential Address (if different from Services Address)• Date and Place of Birth and• Nationality	<ul style="list-style-type: none">• Name• Registration Number• Registered Office• Address and• Place of Incorporation

Any changes of director(s) shall be filed within 30 days of appointment.

Filing fees:

- For existing companies a fee of EUR 300 will apply.
- For companies incorporated after 01st April 2016 no fee will apply.

¹ [http://www.bvifsc.vg/Portals/2/BVI%20Business%20Companies%20\(Amendment\)%20Act%202015.pdf](http://www.bvifsc.vg/Portals/2/BVI%20Business%20Companies%20(Amendment)%20Act%202015.pdf)
[http://www.bvifsc.vg/Portals/2/BVI%20Business%20Companies%20\(Amendment\)%20Act,%20202016.pdf](http://www.bvifsc.vg/Portals/2/BVI%20Business%20Companies%20(Amendment)%20Act,%20202016.pdf)

Penalties for late filing:

For existing companies:

• For the first month from 1 April to 30 April 2017	USD 300
• For the next three month from 1 May to 31 July 2017	USD 500
• For the next three months from 1 August to 31 October 2017	USD 750
• For each month after 1 November 2017	USD 1000 per month

For new companies:

Failure to file the particulars of the directors	USD 100
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Filing fees and bank charges shall apply as well.

2. Declaration of Ultimate Beneficial Owners (UBOs)

From 1 January 2016, Eligible Introducers will need to provide information to their registered agents (RAs) of the beneficial owners. This information will be kept with the registered agent only. Korpus Prava, being an eligible introducer to the registered agents in BVI, shall have to comply with this requirement.

UBO Particulars that need to be provided to RAs:

- Name;
- Date of Birth;
- Address;
- Nationality;
- Intended Activities of the Company.

Existing companies incorporated on or before 1 January 2016 have been given 12 months to comply with this Act. Newly incorporated companies have to provide UBO particulars immediately.

It is a **criminal offence** to be non-compliant, the Registered Agent has the right to resign from its position and the company will be liable to be struck off.

3. Financial Records and Underlying Documentation

Companies are obliged to keep records that are sufficient to show and explain a company's business or transactions. Such records should at any time enable to determine the financial position of the company with reasonable accuracy. There is no prescribed form for the "accounting records" but it is clear that there is no requirement of producing any financial and/or audited statements. The solution that would ensure compliance with the law is that the company has the statement of assets and liabilities.

Financial records of the companies can be kept either in the BVI or another chosen jurisdiction. Korpus Prava can keep the financial records at its overseas offices but in such case we need to initiate preparation of assets and liabilities statement for your company. The fee for that will depend on the volume, number of transactions and assets your company has. Alternatively, you may choose to declare your business address and keep the records there.

In the case of documentation being kept outside the BVI, the company must confirm the following in writing to its BVI registered agent:

- The physical address of where the records are kept;
- Name and address of the person that controls and maintains these records.

Any changes in this regard have to be informed to the Registered Agent within 14 days. Records must be maintained for a minimum of 5 years from the termination of a transaction.

The penalty for non-compliance is USD 50 000 both to the Registered Agent and the Company.

We kindly ask you to email us your reply/consent on the above:

1. Confirm that filing of director's details is to be made and confirm payment of the filing fee.
2. Confirm that details of the UBO can be shared to the registered agent.
3. Confirm whether you wish Korpus Prava to proceed with preparation of statement of assets and liabilities and notifying the RA that the financial records are kept at Korpus Prava.