

# British Virgin Islands

## BVI Companies

Statutory description of private limited company	BVI Business Company
Governing corporate legislation	The BVI Business Company Act, 2004 ("the Act") as amended by The BVI Business Companies (Amendment) Act, 2005
Time-scale for incorporation	24 hours
Availability of ready-made companies	Generally available.
The regulations governing availability of names	The words "Limited", "Corporation", "Incorporated", "Soci�t� Anonyme", "Sociedad Anonima", "Unlimited" or the abbreviation "Ltd", "Corp.", "Inc.", "SA" or "Unl" must be part of the name of every company incorporated under the Act. No company shall be incorporated under the Act with a name that is identical to a company already in existence or which closely resembles an existing name. Words such as "Assurance", "Bank", "Building Society", "Royal", "Trust Company", "Trustee Company" etc. will require justification.
Minimum and maximum number of shareholders	A company may be formed without shareholders although at least one shareholder will be required upon the appointment of the first director (ie within 6 months of incorporation). There is no maximum number of shareholders provided by the Act.
Statutory minimum paid-up capital requirements	None.
Standard authorised capital	There is no concept of authorised share capital in the Act. Instead companies are incorporated with a minimum number of shares eg 50,000 or with authority to issue an unlimited number of shares.
Classes of share available	Share capital may be divided into different classes. "No par value" shares may be issued as may redeemable and bearer shares etc.  Shares may be issued fully, partly or nil paid. The Act restricts the mobility of bearer shares by requiring them to be held by approved custodians within or outside the jurisdiction.

BVIBCf.doc 22.05.2007 [B.I01(05)]

This feature sheet is correct to the best of our knowledge and belief at the time of publication. It is, however, written as a general guide only. We recommend that specific advice is sought before applying the information contained in this feature sheet to specific issues or transactions.

Classes of share available	<p>Bearer shares will be subject to anti-money laundering and due diligence obligations and a company which is authorised to issue bearer shares pays higher incorporation and annual fees.</p> <p>Jordans' standard memorandum and articles prohibit the issue of bearer shares. Memorandum and articles that do allow the issue of bearer shares can be provided upon request.</p>
Denomination of share capital	Share capital may be denominated in any recognised hard currency.
Residency requirement on shareholders or shareholders' meetings	None.
Information published relating to shares and shareholders	The company must keep a copy of the share register at the registered office address. This is available for inspection by the members and is not publicly available. The company may voluntarily file at the Registrar copies of the register of members.
Minimum and maximum number of directors	<p>A company may be formed without directors, but the first director(s) must be appointed within 6 months of incorporation.</p> <p>Sole directors are permissible and there is no statutory maximum although the articles may impose a limit.</p>
Are corporate directors permitted?	Yes.
Nationality and residency requirements of directors	None. However, certain people may not be appointed as directors, including those under 18 years of age or anyone who has been disqualified or restricted as acting as a director under BVI legislation.
Nature of the powers of the directors	The directors have all the powers of the company that are not reserved to the members under the Act or in the memorandum and articles.
Directors' meetings	<p>The directors may meet at such times and places within or outside the BVI as the directors may determine to be necessary or desirable.</p> <p>Telephone and other electronic meetings are allowed. Subject to a requirement in the memorandum and articles the director shall be given reasonable notice of meetings of directors, although this rule is subject to a waiver of notice.</p>

BVIBCf.doc 22.05.2007 [B.I01(05)]

This feature sheet is correct to the best of our knowledge and belief at the time of publication. It is, however, written as a general guide only. We recommend that specific advice is sought before applying the information contained in this feature sheet to specific issues or transactions.

Directors' meetings	The presence of a director at a meeting shall be deemed to constitute a waiver on his part. The quorum of a meeting of directors is fixed by the memorandum and articles but where no quorum is fixed, a meeting of directors is properly constituted if one half of the total number of directors is present in person or by alternate.
Information published relating to directors	There is no public register of directors, although the company may voluntarily file its register of directors with the Registrar.
Must accounts be prepared by the directors?	A company incorporated under the Act shall keep such accounts and records as are sufficient to explain the company's transactions and allow the company's position to be determined with reasonable accuracy.
Must such accounts be filed with the financial authorities?	No.
Must such accounts be audited, and if so by whom?	No. They may be audited by persons approved by the directors.
Must the company have a registered presence in the territory of incorporation?	Yes. The company must at all times have a registered office and registered agent within the BVI. The registered office must be maintained either by the company or its registered agent.
What records must be maintained in the territory and are they available for public inspection?	<p>A copy of the share register and the register of directors and an imprint of the common seal must be kept at the registered agent's address. For tax reasons it is generally advisable to maintain the original share register in the BVI. Other records such as minutes of meetings of directors, members and copies of all resolutions may be kept at such places as the directors determine, but copies must be kept at the registered agent's address.</p> <p>These are not available for public inspection, other than by members or directors. If copies of these registers and documents are kept other than by the registered agent, the registered agent must be notified of the location of the original.</p> <p>If the company fails to comply with these provisions it is liable to a fine of US\$1,000 or 10,000 on summary conviction.</p>
Can the company make secured loans?	Yes.

BVIBCf.doc 22.05.2007 [B.I01(05)]

This feature sheet is correct to the best of our knowledge and belief at the time of publication. It is, however, written as a general guide only. We recommend that specific advice is sought before applying the information contained in this feature sheet to specific issues or transactions.

Can the company make unsecured loans?	Yes.
What are the limits placed on the company's borrowing powers?	None. There are no debt/equity ratios under the law.
Is there a register of company charges?	<p>A company must maintain a copy of its register of charges at its registered office or at its registered agent's address. A company which fails to do so is liable for a fine of US\$5,000 on summary conviction.</p> <p>The company must also register any charge which it enters into with the Registrar. The register of charges maintained by the Registrar is open to public inspection on payment of a small fee.</p> <p>The priority of charges is governed by the date of registration with the Registrar and the date of entry in the company's register of charges.</p>
Company seal	A company must have a common seal.
Re-domiciliation provisions	A company incorporated under the laws of a foreign jurisdiction may continue its existence as a company registered under the Act. Similarly, BVI business companies may transfer their domicile to foreign territories that permit such procedures.

BVIBCf.doc 22.05.2007 [B.I01(05)]

This feature sheet is correct to the best of our knowledge and belief at the time of publication. It is, however, written as a general guide only. We recommend that specific advice is sought before applying the information contained in this feature sheet to specific issues or transactions.