

BVI companies

Information sheet

Statutory description of private limited company	BVI Business Company.
Governing corporate legislation	The BVI Business Companies Act, 2004 (“the Act”) as amended.
Time-scale for incorporation	24 hours.
Availability of ready-made companies	Generally available.
The regulations governing availability of names	The words “Limited”, “Corporation”, “Incorporated”, “Société 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 the capacity to issue a maximum number of shares eg 50,000 or with authority to issue an unlimited number of shares.

<p>Classes of share available</p>	<p>Shares may be divided into different classes. "No par value" shares may be issued as redeemable and bearer shares etc.</p> <p>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.</p> <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. Bearer share certificates must be held by authorised custodian.</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>
<p>Denomination of share capital</p>	<p>Share capital may be denominated in any recognised hard currency.</p>
<p>Residency requirement on shareholders or shareholders' meetings</p>	<p>None.</p>
<p>Information published relating to shares and shareholders</p>	<p>The company must keep the share register or a copy of it 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 Registry a copy of the register of members.</p>
<p>Minimum and maximum number of directors</p>	<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>
<p>Are corporate directors permitted?</p>	<p>Yes.</p>
<p>Nationality and residency requirements of directors</p>	<p>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.</p>
<p>Nature of the powers of the directors</p>	<p>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.</p>

Directors' meetings

The directors may meet at such times and places within or outside the BVI as the directors may determine to be necessary or desirable.

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.

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

It is a requirement for each company to file a copy of its register of directors with the Registry within 21 days of the appointment of first directors. The Registrar must be notified of any subsequent changes within 30 days of the filing of an updated copy of the register.

A filed register of directors will only be accessible by obtaining a court order or by a competent authority. While it can also be accessed by the company itself, its registered agent or any other person authorised by the company, it is not accessible by the public.

Must accounts be prepared by the directors?

A company incorporated under the Act must retain accounts and records with underlying documentation for at least 5 years from the date: (i) of completion of the transaction to which the records and underlying documentation relates, or (ii) the company terminates the business relationship to which the records and underlying documentation relate.

The accounting records and underlying documentation shall be in such form as are sufficient to show and explain the company's transactions, and will at any time, enable the financial position of the company to be determined with reasonable accuracy.

Must such accounts be filed with the financial authorities?

No, however, a company must keep a copy of the accounting records and underlying documentation at the registered office or at such other places within or outside the BVI as determined by the directors.

Where the records and underlying documentation are kept other than at the registered agents address, the company shall provide the registered agent with a written record of the physical address of the place at which the records and underlying documentation are kept, and record the name of the person who maintains and controls the company's records and underlying documentation.

Must such accounts be audited, and if so by whom?

No. They may be audited by persons approved by the directors.

<p>Must the company have a registered presence in the territory of incorporation?</p>	<p>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.</p>
<p>What records must be maintained in the territory and are they available for public inspection?</p>	<p>A copy of the share register and the register of directors and each director's letter of consent to act 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.</p> <p>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. The registered agent must be notified of the address where these are kept.</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 originals.</p> <p>If the company fails to comply with these provisions it is liable to a fine of US\$10,000 on summary conviction.</p>
<p>Can the company make secured loans?</p>	<p>Yes</p>
<p>What are the limits placed on the company's borrowing powers?</p>	<p>None. There are no debt/equity ratios under the law.</p>
<p>Is there a register of company charges?</p>	<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 may register any charge which it creates 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>
<p>Company seal</p>	<p>A company must have a common seal.</p>
<p>Re-domiciliation provisions</p>	<p>A company incorporated under the laws of a foreign jurisdiction may continue its existence as a company registered under the Act if permitted by that jurisdiction's legislation. Similarly, BVI business companies may transfer their domicile to foreign territories that permit such procedures.</p>