



ANGUILLA

A BILL FOR  
INTERNATIONAL BUSINESS COMPANIES (AMENDMENT)  
ACT, 2018

Published by Authority

I Assent

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Tim Foy  
Governor

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Date

ANGUILLA

No. /2018

A BILL FOR

**INTERNATIONAL BUSINESS COMPANIES (AMENDMENT) ACT, 2018**

[Gazette Dated: , 2018] [Commencement: under section 4]

AN ACT to amend the International Business Companies Act, R.S.A. c. I20 to abolish bearer shares and for incidental and connected purposes.

ENACTED by the Legislature of Anguilla

**Interpretation**

1. In this Act, “principal Act” means the International Business Companies Act, R.S.A. c. I20.

**General Amendment**

2. The principal Act is amended by deleting the phrase “books and records” wherever it appears and substituting the phrase “records and underlying documents”

**Amendment to Section 1**

3. Section 1 of the principal Act is amended by inserting the following definition in its alphabetical order—

“ records” includes accounting records

“competent authorities” mean the Anguilla Financial Services Commission and the persons for the time being carrying out the functions of the Comptroller of Inland Revenue and Permanent Secretary, Finance.

**Amendment of section 16**

4. Section 16 of the principal Act is amended by deleting subsection (1)(a) and substituting the following—

“(a) registered shares;”

**Insertion of section 27A**

5. The following section is inserted after section 27 of the principal Act—

**Issue and transfer of bearer shares prohibited**

**27A.** (1) Notwithstanding any provision in this Act an international business company shall—

(a) not issue shares in bearer from after **15th April, 2018**; and

(b) cause bearer shares issued by the international business company to be converted to registered shares before **16th July, 2018**.

(2) An international business company shall **by Notice** or through the custodian notify the beneficial owner of a bearer share of the requirements of subsection (1).

(3) The notification referred to in subsection (2) shall be done before the 16th May, 2018.

(4) An international business company or custodian notifying a beneficial owner pursuant to this section shall either obtain confirmation from the beneficial owner of a name in which a share converted pursuant to subsection (1) is to be registered or, register the share converted pursuant to subsection (1) in the name of a custodian.

(5) An international business company shall by the **16<sup>th</sup> July, 2018** enter the name provided under subsection (4) or the name of the custodian as the case may be into the register of shareholders **pursuant to section 24**.

(6) In relation to an international business company which has been struck off the companies register, subsections (1) to (5) apply to that company if the company is reinstated.

(6) An Order of the Court shall not permit an international business company which has been struck off the companies register to be reinstated with bearer shares in issue.

(7) An international business company for which shares were converted pursuant to subsection (1) shall by the 31st January, 2019 file a declaration in the manner designated by the Registrar with the Registrar confirming that any bearer shares issued by that company have been registered in the form required by this section.

(8) An international business company that fails to comply with subsection (7) shall not for the purposes of this Act be considered to be in good standing.

(9) Bearer shares which have not been converted pursuant to subsection (1) shall be null and void and be without effect for all purposes of this Act.

**Repeal of section 65**

**6.** The principal Act is amended by deleting section 65 and substituting the following —

**“Records, underlying documents and common seal**

**65.** (1) An international business company must keep records and underlying documents such as books, deeds, contracts, vouchers and receipts that—

(a) are sufficient to record and explain the transactions of the company; and

(b) will, at any time, enable the financial position of the company to be determined with reasonable accuracy.

(2) The period for which all records and underlying documents must be maintained is 6 years beginning on the date—

(a) on which all activities taking place in the course of the transaction in question were completed; or

(b) of the ending of the business relationship for whose formation the record was compiled.

(3) The records and underlying documents required to be kept under this section must be kept at the registered office of the international business company or at such other place as the directors may by resolution determine.

(4) Where the records and underlying documents required to be kept under this section are kept at a place or places other than at the registered office of the international business company, the international business company shall provide the registered agent with a written:

(a) record of the physical address of the place at which the records and underlying documents are kept;

(b) record of the name of the person who owns or controls the place or places at which the records and underlying documents are kept; and

(c) undertaking advising that the registered agent shall, at any time it so requests, have access to and be provided with the records and underlying documents without delay.

(5) Where the place or places at which the records and underlying documents, or the name of the person who owns or controls such place or places, change, the international business company shall provide its registered agent with the physical address of the new location of the records and underlying documents or the name of the new owner or controller of the new location, as the case may be, within 14 days of the change of the place or places.

(6) The registered agent shall keep and maintain a record of the place or places outside Anguilla at which the international business company keeps its records and underlying documents and such record shall comprise—

(a) the name of the international business company;

(b) the address or addresses of the place or places at which the international business company's records and underlying documents are kept;

(c) the date the written undertaking under subsection (4) (b) was given to the registered agent; and

(d) the name of the person who owns or controls the place or places at which the company's records and underlying documents are kept.

(7) Whenever required to do so by the Commission or any other competent authority in Anguilla, the registered agent shall request and obtain from the international business company, the records and underlying documents in respect of the international business company.

(8) An international business company shall keep—

(a) minutes of all meetings of—

(i) directors,

(ii) shareholders,

(iii) committees of directors,

(iv) committees of officers, and

(v) committees of shareholders;

(b) copies of all resolutions consented to by—

- (i) directors,
- (ii) shareholders,
- (iii) committees of directors,
- (iv) committees of officers, and
- (v) committees of shareholders; and

(c) the articles and the by-laws and all amendments to them.

(9) The articles and the by-laws of an international business company, and all amendments thereto, must be kept at the registered office of the company.

(10) An international business company shall have a common seal and an imprint of it shall be kept at the registered office of the company.

(11) For the purposes of this section “business relationship” means a continuing arrangement between a company and one or more persons with whom the company engages in business, whether on a one-off, regular or habitual basis;

(12) An international business company that contravenes this subsections (1) to (9) commits an offence.”.

#### **Amendment of Section 24**

7. Section 24 the principal Act is amended by deleting subsections (1)(e) and (f).

#### **Repeal of section 27**

8. The principal Act is amended by repealing section 27.

#### **Amendment of section 35**

9. Section 35 of the Principal Act is amended—

- (a) in subsection (1) by deleting the phrase “, the holder of the bearer share or”; and
- (b) by deleting subsection (2).

#### **Repeal section 63**

10. The principal Act is amended by repealing section 63 and substituting the following—

##### **“Service of notice on shareholders**

**63.** Any notice, information or written statement required under this Act to be given by an international business company to shareholders must be served in the case of shareholders holding registered shares—

(a) in the manner provided in the articles or by-laws, as the case may be, or

(b) in the absence of a provision in the articles or by-laws, by personal service or by mail addressed to each shareholder at the address shown in the share register.”

**Amendment of section 76**

11. Section 76 of the principal Act is amended in subsection (1) (e) by deleting the phrase “unless the charge is a security to bearer,”

**Insertion of section 129A**

12. The Principal Act is amended by inserting the following section after section 129—

**“ Volume Purchase Agreements**

**129A.** (1)The Registrar may enter into a volume purchase agreement hereinafter referred to as the agreement, with a registered agent.

(2) Under a volume purchase agreement the registered agent agrees to register a minimum number of international business companies within the incorporation period as specified in the volume purchase agreement.

(3) Where the registered agent fails to register the minimum number international business companies in accordance with the agreement the agent shall pay the penalty as specified by Regulations.”

**Amendment to Schedule**

13. The Table in the Schedule is amended by inserting a the following new offence and penalty directly after the offence and penalty created by section 21(5)—

65(1) – (9)	Failure to comply with record keeping requirements under section 65	\$75,000	75,000	
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**Repeal of Custody of Bearer Shares Regulations**

14. The Custody of Bearer Shares Regulations R.R.A. c I20-3 is hereby repealed.

**Commencement and expiration**

15. Sections 7 to 11 of this Act shall come into force on 2018

**Citation**

16. This Act may be cited as the International Business Companies (Amendment) Act, 2018.

Terry T.C. Harrigan  
*Speaker*

Passed by the House of Assembly this      day of      , 2018.

Lenox J. Proctor  
*Clerk of the House of Assembly*

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Consultation Draft

Consultation Draft