



CHANGES TO BVI LEGISLATIONS

COMPULSORY FILING OF REGISTER OF DIRECTORS

The Government of the British Virgin Islands (BVI) recently gazetted the BVI Business Companies (Amendment) Act 2015 ("Amending Act"). Assuming the bill passes into law, the Amending Act will come into force on a date proclaimed by the BVI Governor.

Among the key changes is the compulsory duty of all companies to file their register of directors with the BVI Companies Registry. Information on the registers will not be available for public inspection. Access may be granted by either an order of the Court or application by competent authorities in the execution of their duties – meaning regulators, tax administrators or law enforcement agencies. This compromise should reassure practitioners and clients that the BVI's business sector will be safeguarded and its competitive advantage maintained.

Existing companies will have a grace period of up until **31 December 2016** to comply. The Registry imposed a filing fee of US\$25 per register of directors for existing companies so long as the register is filed by 31 December 2016. For new companies or for existing companies where the register is filed after 31 December 2016, the filing fee will be US\$50 per register.

MAINTAIN BENEFICIAL OWNERSHIP

Amendments were also made to the BVI's money laundering regulations, setting out restrictions on persons able to act as an intermediary or 'eligible introducer', and placing due diligence requirements on BVI financial institutions who rely on these intermediaries to bring in new customers. The changes to the BVI's corporate services provider regulatory regime would provide mechanisms to ensure timely access by law enforcement and tax authorities, equivalent to those provided by a central register.

It appears that BVI registered agents will have to maintain beneficial ownership information in their own office, as opposed to relying on eligible introducers that are typically in another jurisdiction. These regulations will come into force on **1 January 2016**. BVI service providers will have to seek their third party introducers to provide them with beneficial ownership and other customer information upon request. They will have to maintain this information within the BVI for each individual company they represent. Service providers in the BVI will be required to become compliant with these requirements for existing companies within twelve (12) months. Extensions to the deadline may be granted in specific circumstance. Information required to be held will include company beneficial owners' names, dates of birth, residential addresses and nationalities.

For further information, please contact us at **+603 2201 9689** or info@kensington-trust.com.

Date: 27 November 2015