

ARIAS, FABREGA & FABREGA

LAWYERS

Members of the Panamanian Bar

International Business Companies in The British Virgin Islands

Arias Fabrega & Fabrega Trust Co. (BVI) Limited

Omar Hodge Building, Wickham's Cay, Road Torwn, Tortola, British Virgin Islands

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THIS BOOKLET HAS BEEN PREPARED BY:

ARIAS , FABREGA & FABREGA

LAWYERS

Panama:

Plaza Bancomer Building
50th Street
P.O. Box 6307
Panamá 5, Republic of Panama

Telephone: +507 263-9200
Fax: +507 263-8919
+507 264-0710
e-mail: pma@arifa.com

London:

3rd Floor, Kingsland House
124 Regent Street
London W1R 5FE
England

Telephone: +44 171 287-3277
Fax: +44 171 287-3177
e-mail: lon@arifa.com

AFFILIATED OFFICES

British Virgin Islands: ARIAS, FABREGA & FABREGA TRUST CO. BVI LIMITED

Omar Hodge Building
Wickham's Cay
Road Town, Tortola
British Virgin Islands

Telephone: +1 284 494-4977
+1 284 494-4978
Fax: +1 284 494-4980
e-mail: bvi@arifa.com

Hong Kong: ARIAS, FABREGA & FABREGA COMPANY SERVICES HK LTD

16A Shun Ho Tower
24-30 Ice House Street
Central, Hong Kong

Telephone: +852 2525-3903
Fax: +852 2845-0048
e-mail: hk@arifa.com

Luxembourg: ARIAS, FABREGA & FABREGA (LUXEMBOURG), S.A.

4, rue Tony Neuman
B.P. 234L-2012
L-2241 Luxembourg

Telephone: (352)462077
Fax: (352)462079
e-mail: lux@arifa.com



ARIAS, FABREGA & FABREGA

ARIAS, FABREGA & FABREGA originated in 1911.

Over Eighty years after its foundation, ARIAS, FABREGA & FABREGA continues the tradition of professionalism, integrity and service established by its founders. The firm's principal office occupies five floors of the Plaza Bancomer Building on 50th Street, Panama City, whilst its satellite offices in London and affiliated offices in the British Virgin Islands, Hong Kong, Geneva and Luxembourg occupy modern premises in established international legal service centers. There are fourteen partners, eleven associates, fifteen assistant law clerks and numerous professional staff members. The firm has over one hundred additional employees world-wide, trained in the most modern office equipment and systems. Responsibility for the administration of the firm and its affiliates is primarily in the hands of an Executive Committee of five partners who continuously scrutinize and renovate the firm's services.

The firm engages in the general practice of law in Panama, including corporate law, banking, shipping, taxation, property, litigation and patents and trademarks. At the affiliated offices the firm has developed a confident and efficient trust and offshore service practice.

More information about our services and experience may be found at our internet site www.arifa.com.



ARIAS , FABREGA & FABREGA

Members of the Firm

HARMODIO ARIAS M. (1886 - 1962)
JULIO J. FABREGA (1870 - 1950)
OCTAVIO FABREGA (1906 - 1973)

ROY C. DURLING, born in Panama, Republic of Panama, July 3, 1931. Admitted, Republic of Panama (1957). Education: Universidad de Panama (Licentiate in Law, 1957). Author: "Jurisprudencia Laboral de la Corte Suprema de Justicia", Panama, 1977. Alternate Judge: Labour Court, 1960-1964; Superior Labour Court, 1964-1968; Labour Court, 1968-1972. Member: Panama and Inter-American Bar Associations; Asociación Panameña de Ejecutivos de Empresa; Overseas Member of the Institute of Trade Mark Agents; United States Trademarks Association; International Anticounterfeiting Coalition, Inc.; Association Internationale pour la Protection de la Propriété Industrielle; Asociación Interamericana de la Propiedad Industrial.

FERNANDO CARDOZE F., born in Panama, Republic of Panama, October 11, 1937. Admitted, Republic of Panama (1964). Education; Duke University (B.A. in Economics, Phi Beta Kappa, magna cum laude, 1959); Harvard Law School (L.L.B., J.D. 1962); University of Madrid (S.J.D., 1963). Author: "The Challenge of the Administration of the Panama Canal in the Year 2000: How to Prepare for It". Co-Author: "Panama Chapter, Spitz: Tax Havens Encyclopaedia", publisher, Butterworths and Company, London, 1975; Panama Chapter, "International Banking Centres", publisher, Euromoney Publications Limited, London, 1982. Alternate Member, National Council of Foreign Relations, Republic of Panama, 1964-1968; Principal Member, National Council of Foreign Relations, Republic of Panama, 1990-1994; Professor of Economics, Catholic University, Republic of Panama, 1968-1970. Director: National Investment Council, Republic of Panama, 1982-1984; Director, Panama Canal Commission, 1983-1985, 1995-present; Minister of Foreign Affairs, Republic of Panama, 1984-1985. Member: Panama Bar Association, International Bar Association, International Fiscal Association.

GABRIEL A. GALINDO, born in Panama, Republic of Panama, September 6, 1941. Admitted, Republic of Panama (1966). Education: Cambridge University, England (B.A., 1964; L.L.B., 1965). Under-Director General of the Planning Office of the President, 1968. Co-Author: "Panama Chapter, Spitz: Tax Havens Encyclopaedia", Publisher, Butterworth and Company, Ltd., London, 1975. Member: Panama Bar Association.

JULIO J. FABREGA, III, born in Panama, Republic of Panama, December 13, 1944. Admitted, Republic of Panama (1967). Education: Universidad de Panama (Licentiate in Law, 1967); Harvard Law School. Member: Panama Bar Association.

CECILIO A. CASTILLERO, born in Herrera, Republic of Panama, January 6, 1938. Admitted, Republic of Panama (1961). Education: University of Madrid (Licentiate in Law, 1960); University of Bordeaux, France (Doctorat de troisieme cycle en Economie du Development). Co-publisher: "Panama Commercial Code with Notes, References and Precedents", Panama, 1972; "Panama Civil Code with Notes and References", Buenos Aires, 1973. Profesor of Mercantile Law, University of Panama, 1969-1973. Economic Advisor of the Ministry of Foreign Affairs, 1969-1970. Alternate Member, Delegation of Panama to the United

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Nations, 1970. President of the Institute of Banking Law, 1982. Member of the Spanish Court of Arbitration. Member: Panama Bar Association.

LEROY W. WATSON, III., born in Panama, Republic of Panama, November 2, 1947. Admitted, Republic of Panama (1974). Education: Emory University (B.A., 1969); Tulane University (J.D., 1972). Order of the Coif. Member, Tulane Moot Court. Member: Panama Bar Association.

OCTAVIO AMAT, born in Panama, Republic of Panama, September 28, 1947. Admitted, Republic of Panama (1974). Education: University of Panama (Licentiate in Law, 1974). Author: “Los Contratos de Representación, Agencia y Distribución”, Panama, 1977. Member: Panama Bar Association.

EDUARDO DE ALBA, born in Panama, Republic of Panama, January 19, 1950. Admitted, Republic of Panama (1976). Education: Georgetown University (A.B., 1972); Louisiana State University (J.D., 1975). President of Panama's Maritime Law Association 1989-1990; Delegate to United Nations' “Conference on Conditions for Registration of Ships”, 1984/1985. Member: Panama Bar Association; International Bar Association; International Tax-planning Association; Ad-hoc member drafting committee of Panama's Code of Maritime Procedure 1982; Participant Committee Bareboat Charter Registry International Chamber of Commerce, Commission of Sea Transport, 1987.

MARIA DEL CARMEN ZUÑIGA, born in Panama, Republic of Panama, November 7, 1952. Admitted, Republic of Panama (1976). Education: University of Panama (Licentiate in Law, 1976); Université d'Aix-Marseille, France (Doctorate de Troisième cycle en Droit Maritime et des Transports, 1980). Member: Panama Bar Association.

ROGELIO DE LA GUARDIA, born in Panama, Republic of Panama, January 26, 1957. Admitted, Republic of Panama (1979). Education: University of Panama (Licentiate in Law, 1979) Sigma Lambda Honour Chapter; New York University (LL.M. in Corporation Law, 1981). Member: Panama Bar Association.

FERNANDO A. ARIAS, born in Panama, Republic of Panama, January 31, 1957. Admitted, Republic of Panama (1985). Education: Tulane University (B.A., 1979); Drake University (J.D., 1983). Member: Panama Bar Association.

MARIA CAROLINA ARROYO DE ABAD, born in Panama, Republic of Panama, January 7, 1958. Admitted, Republic of Panama (1984). Education: University of Panama (Licentiate in Law, 1983). Member: Panama Bar Association.

RICARDO M. ARANGO, born in Panama, Republic of Panama, November 11, 1960. Admitted, Republic of Panama (1983) and New York (1986). Education, University of Panama (Licentiate in Law 1983, Sigma Lambda), Harvard Law School (LL.M. 1984), Yale Law School

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(LL.M. 1985). Fulbright Scholar (1983-85). Member, Association of the Bar of the City of New York (Secretary, Inter-American Affairs Committee, 1986-87), Panama Bar Association.

ROSA MARIA RESTREPO DE CONWAY, born in Veraguas, Republic of Panama, May 31, 1962. Admitted, Republic of Panama (1986). Education: University of Panama, (Licentiate in Law, 1986, Sigma Lambda); The American University (LL.M. in International Law, 1988), Fulbright Scholar (1987-88). Member: Panama Bar Association, Interamerican Federation of Lawyers (Washington, D.C.).

ASSOCIATES

LUZMILA DEL BUSTO OLACIREGUI, born in Panama, Republic of Panama, August 10, 1960. Admitted, Republic of Panama (1985). Education: Universidad Santa María La Antigua (Licentiate in Law, 1985).

ILEANA DEL CARMEN MARTINELLI T., born in Panama, Republic of Panama, March 7, 1959. Admitted, Republic of Panama (1985). Education: Universidad Santa María La Antigua (Licentiate in Law, Cum Laude, 1985). Member: Panama Bar Association.

MARIO LUIS FABREGA LLINAS, born in Panama, Republic of Panama, April 22, 1965. Admitted: Republic of Panama (1989). Education: Universidad Javeriana, Bogota, Colombia (Licentiate in Law, 1988), University of Houston (LL.M. 1992), Fulbright Scholar (1991-92). Member: Panama Bar Association. Editor: "Judicial Code of the Republic of Panama, with titles, cross-references and analytical index", 1999.

JORGE LOAIZA III, born in Panama, Republic of Panama, August 19, 1966. Admitted, Republic of Panama (1988). Education: Universidad Santa María La Antigua (Licentiate in Law, 1988), Southern Methodist University (LL.M. in International and Comparative Law, 1989). Member: Panama Bar Association.

JUAN FERNANDO CORRO C., born in Panama, Republic of Panama, June 30, 1964. Admitted, Republic of Panama (1989). Education: The Santa Maria La Antigua University (Licentiate in Law, 1989). Member: Panama Bar Association.

FRANCISCO ARIAS G., born in Panama, Republic of Panama, July 6, 1965. Admitted, New York (1990) and Republic of Panama (1992). Education: Ohio Wesleyan University (B.A. Economics, Cum Laude, 1986) and Georgetown University Law Center (J.D. 1989).

GILBERTO ARIAS P., born in Panama, Republic of Panama, July 4, 1964. Admitted, Panama (1994). Education: University of Virginia (B.A. 1986, Omicron Delta Epsilon in Economics), St. John's College, Cambridge University, England (M.A. 1988, LL.M. 1989).

ROY CARLOS DURLING T., born in Panama, Republic of Panama, January 23, 1961. Admitted, New York (1987) and Republic of Panama (1992). Education: Georgetown University (A.B. in History and Economics, 1983, Magna Cum Laude, Phi Beta Kappa), Cornell University

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Members of the Firm

(J.D. with specialization in International Legal Affairs, 1986). Member: American Bar Association; New York County Lawyers Association; Cornell Law Association.

LISA INES DOMINGUEZ O., born in Panama, Republic of Panama, March 12, 1967. Admitted, Republic of Panama (1991). Education: University of Panama (Licentiate in Law, 1991). Member: Panama Bar Association.

GIAN CASTILLERO, born in Panama, Republic of Panama, 18 October 1969. Admitted, Panama (1994). Education: Universidad Santa Maria La Antigua (Licentiate in Law and Political Sciences, Cum Laude, 1994), London School of Economics, University of London, England (LL.M. in Commercial and Corporate Law, Merits, 1995).

MARA WOLF, born in Panama, Republic of Panama, May 9, 1970. Education: Universidad Santa María La Antigua (Licentiate in Law, Cum Laude, 1994).

MARIA DEL PILAR CASTILLERO L., born in Panama, Republic of Panama, December 11, 1962. Admitted, Puerto Rico (1995). Education: Northwestern University B.A. in English and American Literature, 1988); University of Puerto Rico (J.D., Cum Laude, 1995). Member: Puerto Rico Bar Association.

ARIAS, FABREGA & FABREGA
International Business Companies of
The British Virgin Islands

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The British Virgin Islands (herein "BVI") became an attractive jurisdiction for the establishment of off-shore corporations with the enactment of the International Business Companies Ordinance ("IBC Act" or the "Act"). Among the many advantages BVI offers as jurisdiction of incorporation are:

1. a politically stable jurisdiction, which is a British Crown colony enjoying self government except in matters of defense and foreign affairs;
2. the U.S.A. Dollar as legal tender in the BVI and the lack of exchange controls;
3. exemption from taxes on income earned by the company and on the dividends or other distributions made to its shareholders;
4. exemption from estate, inheritance or gift taxes otherwise payable by residents in the BVI;
5. simple and speedy incorporation process that does not require the presence of the interested parties in the BVI;
6. minimal reporting and disclosure requirements;
7. no annual filing requirements;
8. no annual meeting must be held in the BVI;
9. directors may be companies and need not be domiciled or resident in the BVI;
10. flexible management provisions, including the possibility of designating only one director or holding meetings by telex, telegram or by circulating resolutions; and
11. modern provisions for the protection of assets, including continuation in a new jurisdiction, mergers with foreign entities and the granting of extraordinary emergency powers to directors.

Profile of the BVI

The Territory of the British Virgin Islands is constituted by a group of islands in the Caribbean, east of the U.S. Virgin Islands of St. Thomas, St. John and St. Croix.

The population is approximately 18,000 with an annual tourist population of about 250,000.

The British Virgin Islands is a British Dependency. Its relation to the United Kingdom dates back to the early XVI Century. The Islands have been variously populated, colonized or otherwise influenced by their original indigenous population as well as Spain, Holland, England and Africa.

Her Majesty Queen Elizabeth II is Head of State and is represented by the Governor. The head of government is the Chief Minister. The Territory is endowed with selfgovernment except in matters of defense and foreign affairs. There is a Legislative Council elected by direct vote and a Ministerial Cabinet presided by the Chief Minister.

The legal system is based on English Common Law. The Judiciary is designated by the Territorial Government. Appeals from local courts are in certain instances heard by the English courts.

The Royal Family has visited the territory occasionally. In 1966 Queen Elizabeth II inaugurated Queen Elizabeth Bridge which joins Tortola and Beef Island, where the international airport is located. The Princess Margaret visited the Territory in 1972 and Queen Elizabeth returned in 1977. The Prince of Edinburgh visited Tortola in 1991.

The British Virgin Islands enjoy the usual modern system of communications by telephone, telex and telecopier. There is shuttle air and sea transport between Tortola and Puerto Rico and the U.S. Virgin Islands, which are in turn serviced by world air transport.

Tourism is the major industry in the islands, employing about 35% of the population. Tourists are attracted by its all year sunshine, innumerable beaches and coves, and near perfect sailing waters. The British Virgin Islands has approximately 800 hotel rooms in Tortola, Virgin Gorda and Peter Island. Traditionally a haven for sailing enthusiasts, there are more than 300 sailing yachts available for hire.

The growth of the corporate and financial services has been primarily the consequence of the policy of the British Virgin Islands to encourage the use of off-shore companies organized pursuant to the International Business Companies Ordinance enacted in 1984. Trust services have also developed, primarily because of the background of English trust law. With the passing of the Insurance Companies Act in 1994 and the Mutual Funds Act in 1996, the BVI has complemented the legal products offered in the jurisdiction through International Business Companies.

The U.S. dollar has been legal tender since 1966. As a consequence, all transactions are effected in a universally accepted monetary system and there are no exchange controls. Under the Banking Ordinance it is possible to form banks for local banking business (General License) and for offshore banking (Restricted License). There are at present four commercial banks operating within the British Virgin Islands, The Chase Manhattan Bank, The Bank of Nova Scotia, Barclays Bank and Banco Popular. In addition, nine banks are now licensed to operate solely outside the British Virgin Islands

Companies in the British Virgin Islands

The organization and operations of International Business Companies in the British Virgin Islands ("BVI Companies") is governed by the International Business Companies Ordinance No. 8 of 1984 (the "Ordinance") enacted by the Legislature of the British Virgin Islands. All information herein refers only to BVI Companies organized pursuant to said Ordinance.

The British Virgin Islands are increasingly becoming an attractive jurisdiction for the establishment of off-shore corporations. Among the many advantages are the ease and speed with which a company may be registered, flexible and modern regulations as contained in the Ordinance,

and the absence of any taxation on the operations or income of such companies other than a yearly License Fee referred to below.

A. INCORPORATION PROCEDURE

One or more persons, whether natural or legal, subscribe the Memorandum and Articles of Association before a witness, which are then filed with the Registrar of Companies, who then issues a Certificate of Incorporation. The company is thereupon registered. This process usually takes two or three days.

It is not necessary that the interested parties be in the British Virgin Islands for this purpose. When the interested parties are not in the British Virgin Islands, any licensee, such as Arias, Fabrega & Fabrega Trust Co. BVI Limited, may act as sole incorporator and execute the Memorandum and Articles of Association.

Once the company has been registered, the subscriber would proceed with the appointment of the first Directors and at this point the company is ready to commence operations.

The subscriber to the Memorandum and Articles of Association does not become a shareholder or entitled to subscribe shares by virtue only of having acted as subscriber.

The Memorandum and Articles of Association

The Memorandum must include:

- a) the name of the company;
- b) the address within the British Virgin Islands of the registered office of the company, which may be and usually is the address of the registered agent of the company;
- c) the name and address within the British Virgin Islands of the registered agent of the company;
- d) the objects and purposes of the company;
- e) the currency in which shares in the company are to be issued;
- f) the authorized capital, which may be designated in terms of shares with par value or in terms of shares without par value;
- g) the classes of shares, and the number and par value of each class;
- h) the designations, powers, preferences, rights, qualifications and restrictions of each class of shares, or a statement to the effect that the directors shall have the power to fix them;
- i) the number of shares to be issued in the name of the owner (registered shares) and the number of shares to be issued as bearer shares, and whether registered shares may be exchanged for bearer shares, and viceversa; and

- j) in the case of bearer shares, the manner in which notices are to be given to the holders of bearer shares;

In turn, the Articles of Association contain regulations for the conduct and activities of the company.

1. Name of the company

The name of the company must contain the word "Limited", "Corporation" or "Incorporated", "Societe Anonyme" or "Sociedad Anonima", or the abbreviations "Ltd.", "Corp.", "Inc." or "S.A." and must not conflict with the name of any company already registered. A company may use and may legally be designated either by the full or the abbreviated form of the name.

There are certain restrictions on the choice of the name which for instance may not contain words such as "Assurance", "Bank", "Chartered", "Imperial", "Royal", "Insurance", "Insurance Broker", "Insurance Agent", "Fund", "Mutual Fund", "Mutual Fund Manager", "Mutual Fund Administrator", "Life", etc. It is therefore advisable that the intended name first be cleared with the Registrar of Companies. A proposed name may be reserved for ninety days on the payment of a fee of US\$25.00.

2. Powers of the company

The company may perform all lawful acts and exercise all powers provided for in its Memorandum and Articles of Association anywhere in the world. However, according to the Ordinance, the company may not:

- a) carry on business with persons resident in the British Virgin Islands;
- b) own real property in the British Virgin Islands;
- c) carry on banking or trust business unless it is licensed to do so under the Banks and Trust Companies Act, 1990;
- d) carry on the business of an insurance or reinsurance company, insurance broker or insurance agent, unless it is licensed under an enactment authorizing it to carry on that business;
- e) carry on the business of company management unless it is licensed under the Company Management Act, 1990;
- f) carry on the business of providing the registered office or of registered agent for companies incorporated in the British Virgin Islands;
- g) carry on business as a mutual fund, mutual fund manager or mutual fund administrator unless it is licensed under the Mutual Funds Act, 1996.

In addition, if the Memorandum contains a statement that the object or purpose of the company is to engage in any act or activity that is not prohibited under any law, the effect of such statement is to make all acts or activities that are not illegal part of the object or purposes of the company.

3. The authorized capital

Registration Taxes and the annual License Fees are payable according to the authorized capital. The minimum authorized capital which will cause the minimum Registration Taxes and License Fees is U.S. \$50,000 divided into a stated number of shares with an equivalent par value (for instance U.S.\$50,000 divided into 50,000 shares of a par value of U.S.\$1.00 each). If no par value shares are authorized alone, or in combination with par value shares having a par value which does not exceed U.S.\$50,000, the Registration Taxes and annual License Fees are increased from the minimum of U.S.\$300 to U.S.\$350. Since shares may only be issued if fully paid and the Ordinance does not grant shareholder preemptive rights, our standard Memorandum provides for an authorized capital of U.S.\$1,000, which is generally issued upon incorporation of the company. Increases or reductions in the authorized capital must be filed with the Registrar.

4. Registered office and registered agent

Every BVI company incorporated under the International Business Companies Ordinance must have a registered office and a registered agent within the British Virgin Islands. Arias, Fabrega & Fabrega Trust Co. BVI Limited is appointed to act in both capacities in our standard Memorandum of Association. Certain books and records must be kept by the company at its BVI registered office. Notices, summons, etc. may be served on a company at its registered office.

5. Amendments

The Memorandum and Articles of Association may be amended at any time by the members (shareholders). They may also be amended by the directors if the directors have been so authorized in the Memorandum and Articles of Association. Such amendments must be registered with the Registrar of Companies.

Management

1. Election of directors

The business and affairs of the company are managed by a Board of Directors, which may consist of one or more persons, and who may be individuals or companies. Normally, however, a company would have at least two directors. It is not necessary that directors or officers be residents of the British Virgin Islands.

The names of the directors and officers are not subject of registration with the authorities of the British Virgin Islands.

The first directors are elected by the subscribers to the Memorandum and Articles of Association. Thereafter, they are elected by the members (the shareholders). Vacancies which arise in the Board of Directors over the life of the company, such as by death or resignation, may be filled by the remaining directors.

It is possible to provide in the Memorandum or Articles for the election of directors by the Board of Directors for such term as they may determine. AF&F Trust standard Memorandum and Articles contain such a provision.

The International Business Companies Act, CAP 291, allows Companies registered under the Act to keep a Register of Directors. The register should contain (a) the names and addresses of the persons acting as directors, (b) the date on which each person, whose name is entered in the register, was appointed director and (c) the date on which each person named in the register as a director ceased to be a director of the Company.

A copy of the register of directors shall be kept at the Registered Office of the Company. The directors may optionally file such a register with the Registry of Companies, thus, making the names of the directors available to the public. Once the register is filed with the Registry of Companies, it becomes mandatory to file all and any changes made to it. Should the directors wish to stop filing the changes made to the register of directors, a formal letter must be filed with the Registry of Companies confirming that it is the intention of the Company not to file any changes to the Register. There is a statutory charge of US\$50.00 upon the filing of the register, on filing any changes to the register and when informing the Registrar that no more up-date nor changes will be filed with the Registry of Companies.

2. Meetings of directors

Resolutions of directors may be adopted either in meeting assembled within or outside the British Virgin Islands or by written consent including telex, telegram, cable or other written electronic communication. Meetings of directors may be held in the British Virgin Islands or elsewhere, as the directors shall determine. However, directors are deemed to be present if they participate by telephone or other electronic means and are able to hear each other.

Notice of directors meetings must be given at least 3 days prior to the date of the meeting but such notice is not necessary where resolutions are consented to in writing or when all directors are present.

One alternate director may be appointed by each director to represent him at directors meetings and to vote or consent in his place.

No less than half of the total number of directors, or two if there are only two directors, shall be necessary to constitute a quorum. A quorum is necessary to hold a valid meeting of the Board of Directors.

If there is only one director, the provisions of the Ordinance for notice, meetings, quorum, etc. do not apply and it is only necessary that the director sign a memorandum or note evidencing his decision on matters requiring a resolution of directors.

3. Appointment of officers or agents

Directors may appoint officers or agents with such powers and authority as set forth in Articles or in the resolution appointing them. Officers or agents are removable at will. There are no specific titled officers which must be appointed under the Ordinance in the British Virgin Islands. It is usual, however, to appoint a Chairman and a Secretary.

According to AFF Trust's standard Memorandum and Articles of Association, in the absence of a resolution of directors to the contrary, the Chairman presides at meetings of directors and members

(shareholders), the President manages the day to day affairs of the Company, the Secretary maintains the share register, minute books and records, and the Treasurer is responsible for the financial affairs of the company.

4. Corporate seal

The company is required to adopt a seal, which may be kept outside the British Virgin Islands. The Articles of Association will designate the person(s) entitled to use the corporate seal.

Seals must be used if the company enters into a contract which, if entered into between individuals, would be required by law to be in writing and under seal. If the corporate seal is not affixed to such document, the contract or other instrument is not thereby rendered invalid.

It is not required that powers of attorney or designations of agents be sealed.

5. General powers of attorney

A company incorporated under the Ordinance may by and instrument in writing, whether or not under common seal, either generally or in respect of any specific matters, appoint a person to act as its agent. A contract, agreement, deed or other instrument executed on behalf of the company by the holder of a general power of attorney without affixing the common seal is binding and has the same effect as if it were under the common seal of the company.

Members

A company should have members (shareholders) before any business is transacted. Otherwise, directors may be held liable for the company's debts.

Shares are issued by resolution of the directors and must be fully paid-in when issued. Shares may be issued for money, services, and any real and personal property.

In the case of registered shares, it is possible but not necessary to issue share certificates. In any event, the name of the member must be entered in the share register. However, share certificates must be issued in the case of bearer shares.

The identity of the members is not disclosed or subject of registration in the British Virgin Islands.

Resolutions of the members may be adopted in meeting assembled or by written consent or by telex, telegram or other written electronic communications.

Meetings of members are called by the directors or by the holders of fifty percent of the outstanding shares, and may be held within or outside the British Virgin Islands. Meetings may be held by electronic means if the members are able to hear each other. It is not required that members meetings be held annually or at any other particular interval.

At least 7 days notice of meetings of members must be given, unless the holders of 90% of the shares entitled to vote shall agree to shorter notice. The presence of all members shall constitute waiver of all notice requirements.

Registration Requirements

It is not necessary to make any registration or filings in the British Virgin Islands other than the documents for the original incorporation of the company, any amendments to the Memorandums and Articles of Association, any mergers and consolidations, and the eventual dissolution and liquidation of the company.

A copy of the company's share register must be kept at the Registered Office of the company; failure to keep this register at the Registered Office gives rise to statutory penalties under the Ordinance.

The Ordinance allows companies incorporated under the Act to optionally maintain at its Registered Office a Register of Mortgages and Charges prepared by the Directors of the Company. This Register can also be registered with the Registry of Companies of the British Virgin Islands.

The Register must contain the following information:

- a) the sum secured;
- b) the assets secured;
- c) the name and address of the mortgagee, chargee or other encumbrancer;
- d) the date of creation of the mortgage, charge or other encumbrances;
- e) the date on which the particulars specified in paragraph (a) to (d) in respect of the mortgage, charge or other encumbrance are entered in the register; and
- f) the date of release of the charge.

Please visit our web site at **www.arifa.com** or write to one of our offices for a sample Register.

Books and Accounting

The company must have a minutes book and a share register. The records and minutes shall be kept at the registered office of the company in the British Virgin Islands or at such other place as the directors may determine. The share register may be kept anywhere, but a copy must be kept at the registered office in the BVI.

The share register may be maintained in any form as the directors may approve, including magnetic, electronic or other form of data storage, provided, however, that the company is able to produce legible evidence of its contents.

Neither the minutes book nor the share register need be issued, authorized or certified by any authority of the British Virgin Islands. Any member may inspect the books and make extracts.

It is not required that the company file accounts with the authorities of the British Virgin Islands. The company should therefore keep its accounts in accordance with the regulations of the place where it conducts business or owns its property.

Special Provisions for Disposal of Assets

The International Business Companies Ordinance of the British Virgin Islands provides that if a company enters into any contract, deed, arrangement or other instrument relating to the payment of a claim or to the delivery or transfer of property, and the document designates a payee or beneficiary to receive the payment or property(a), upon the death of the person making the designation or (b), upon the death of another person or (c), upon the occurrence of an event as specified in the document, then such payment, delivery or transfer, the rights of any payee or beneficiary, and ownership of the property, shall not be impaired or defeated by any rule of law governing the transfer of property by will, intestacy or gift. Such rule shall be applicable regardless of any rule to the contrary in the laws of any other jurisdiction, including the law of any jurisdiction where the person making the designation resides or is domiciled.

Such designations may be changed or revoked if the claim is not yet payable or transferable or is subject to withdrawal, collection or assignment by the person making the designation.

Winding Up and Dissolution

The dissolution and winding-up of companies registered under the International Business Companies Ordinance commences with a resolution adopted by the directors and shareholders adopting a plan of dissolution and appointing a liquidator. Once approved, the Articles of Dissolution must then be filed with the Registrar of Companies and a notice must be circulated in the British Virgin Islands regarding the dissolution.

Upon completion of the dissolution, the liquidator must submit to the Registrar a statement indicating that the dissolution has been completed and must subsequently circulate a new notice stating that the Company has been dissolved and struck off from the Register.

If no shares have been issued, the company may be dissolved by resolution of the directors. If shares have been issued, the company may be dissolved by resolution of the members (the shareholders).

Once the winding-up and dissolution have been authorized, the directors designate a liquidator. The liquidator can carry on business if he determines that to do so is in the best interests of the creditors or of the members.

The time for the liquidation may not exceed two years without permission of a court.

Mergers and Domiciliation

A company may be merged or consolidated with other companies, including nonBVI companies. Therefore, the effect of such merger or consolidation may be that a new company comes into being as successor to all the assets and liabilities of the consolidated companies, or one of the merged companies continues in existence as successor to the assets and liabilities of the merged companies.

Transfer of Jurisdiction and Continuation

In accordance with the International Business Companies Ordinance of the British Virgin Islands, a BVI company can transfer its place incorporation to another jurisdiction.

Also, a non-BVI company may continue its existence as a BVI company by complying with certain provisions of the Ordinance. In accordance with such provisions, in order for a non-BVI company to continue as a BVI company, it must be in goodstanding in its place of incorporation. Also, "Articles of Continuation" must be approved by resolution of the Board of Directors or other pertinent corporate body under the regulations of its original place of incorporation. The Articles of Continuation must be signed by such pertinent corporate body but it is not required that they be signed by the Registrar or other authority of the original jurisdiction. Upon the filing with the BVI Registry of Companies of a Certificate of Goodstanding, a copy of the original articles of incorporation and the Articles of Continuation, the Registrar will issue a Certificate of Continuation certifying that the company is so incorporated and the company will be deemed to have continued as a BVI company notwithstanding any provisions to the contrary in the laws of the jurisdiction of the place where it was originally incorporated.

The International Business Companies Ordinance of the British Virgin Islands also provides for the provisional registration of the continuation to become effective upon the giving of subsequent notice to the Registrar.

Taxation and Official Fees

The International Business Companies Ordinance (1984) provides that a company incorporated under the said Ordinance is not subject to taxes on its income. In order to qualify as a company incorporated under the Ordinance a company may not, among other things, carry on business with persons resident in the British Virgin Islands or own an interest in real estate situate in the BVI. Maintaining deposits with banks in the BVI, maintaining professional contacts with the service community in the BVI, having corporate headquarters in the BVI or holding meetings of members or directors there, are some examples of particular situations deemed not to constitute doing business in the BVI.

Dividends, interest, rents, royalties, compensation and other sums payable to non-BVI residents, and capital gains realized with respect to any shares, debt obligations and other securities of a company incorporated under the International Business Companies Ordinance (1984) are exempt from taxes.

Estate, inheritance, succession or gift taxes or other levies are not payable by persons who are not resident in the BVI with respect to shares, debt obligations or other securities of a company incorporated under the Ordinance.

The only taxes levied in respect of such companies are the registration taxes payable upon the incorporation or filing of corporate documentation, as well as the annual license fees payable to the BVI government.

1. Registrar's fees

The most important fees payable to the Registrar of Companies are the following:

- a) US\$300 upon registration of the company if the authorized capital does not exceed US\$50,000.

- b) US\$1,000 upon registration of the company if the authorized capital is greater than US\$50,000.
- c) US\$25 to US\$100 upon the registration of any amendments to the Memorandum and Articles of Association, depending on the time when the amendment is filed.
- d) US\$500 upon the registration of any merger or consolidation, with a maximum of US\$700 if the authorized capital of the company resulting from the merger or consolidation exceeds US\$50,000.
- e) US\$500 or US\$1,000, as the case may be, on the registration of a continuation (the transfer of jurisdiction of a foreign company to BVI), depending on whether the authorized capital of the company does not exceed, or is greater than, US\$50,000.
- f) US\$100 upon the registration of the dissolution.
- g) US\$25 upon the issuance by the Registrar of Companies of a Certificate of Articles of Association, merger, consolidation, arrangement, continuation (transfer of jurisdiction), dissolution or good standing.
- h) US\$15 upon the issuance by the Registrar of extracts of documents.
- i) US\$300 or US\$600 upon the restoration by the Registrar of a company that was struck off the Registry (see below), depending on the time when the restoration is requested.
- j) US\$25 for the reservation of a name.

2. Statutory License Fees and Striking-Off from the Register

A company incorporated under the International Business Companies Ordinance of the British Virgin Islands is subject to the payment of a yearly License Fee of US\$300 if the authorized capital is not greater than US\$50,000 and of US\$1,000 if the authorized capital is greater than US\$50,000. Companies with no par value shares, which authorized capital does not exceed US\$50,000.00, pay US\$350 per year.

The License Fee is payable as follow:

- (a) For companies incorporated in the first six months of a year:
 - license fee is due by 31st May;
 - 10% penalty charge applies until 31st July;
 - 50% penalty charge applies until 31st October;
 - strike off date is 1st November.

(b) For companies incorporated in the second six months of a year:

- license fee is due by 30th November
- 10% penalty charge applies until 31st January;
- 50% penalty charge applies until 30th April;
- strike off date is 1st May.

In order to restore a company, it is mandatory that it pays all licenses fees and penalties due to the Government plus the following restoration charges: US\$300.00 if the Company is restored within six months from when it is struck off the Register; US\$600.00 if the company is restored after six months from when it is struck off the Register.

Invoices containing License fee will be posted six months before the payments become due. It is therefore important that Arias, Fabrega & Fabrega Trust Co. BVI Limited (herein "AFFT") be informed of any change of billing address as soon as such change occurs.

At any time within ten years of such striking-off, the company, any creditor, member (shareholder) or liquidator may apply to the Registrar to restore the name of the company to the Register upon the payment of the appropriate fees and penalties.

During the time when a company is struck from the Register, the company may not sue, carry on business, deal with company assets, defend legal proceedings or make any claims except those which arose prior to the time when it was struck off.

ARIAS, FABREGA & FABREGA
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For more information about BVI companies, their use and documentation, please visit our web site at **www.arifa.com**.



Arias Fabrega & Fabrega Trust Co. (BVI) Limited

Omar Hodge Building, Wickham's Cay, Road Town, Tortola, British Virgin Islands



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