ARIFA
CORPORATE SERVICES

# Important Updates to the BVI Business Companies Act

The British Virgin Islands has implemented several important amendments to the Business Company Act (the "BVI BC Act"), as part of its ongoing commitment to comply with international standards aiming to combat harmful tax practices and money laundering in the financial services industry. These amendments came into effect on January 2, 2025.

The main changes to the BVI BC ACT include:

## Private Filing of Beneficial Ownership Information

### 1. Mandatory Initial Filing for New Entities

- All companies and limited partnerships incorporated, registered, or continued into the BVI after January 2, 2025 are required to file their beneficial ownership information with the Registrar of Corporate Affairs (the "Registrar") at the time of registration.
- These filings must be submitted within 30 days from incorporation, registration, or continuation, as applicable.
- Entities whose shares are held by a licensed trustee (either in the BVI or a foreign licensed trustee), only need to file the name of the licensed trustee as its beneficial owner and do not need to disclose the identity of the beneficiaries of the underlying trust.

### 2. Filing Requirements for Existing Entities

- Companies and limited partnerships incorporated, registered, or continued into the BVI before January 2, 2025 must complete an initial beneficial ownership filing with the Registrar no later than January 1, 2026.
- Entities whose shares are held by a licensed trustee (either in the BVI or a foreign licensed trustee), only need to file the name of the licensed trustee as its beneficial owner and do not need to disclose the identity of the beneficiaries of the underlying trust.

### 3. Ongoing Updates

- Any changes to beneficial ownership information after the initial filing must be reported to the Registrar within 30 days to ensure compliance with the amended legislation.

### 4. Filing for Restored Entities

- Companies and limited partnerships that were struck off, dissolved, or de-registered as of January 2, 2025, and subsequently restored must file their beneficial ownership information with the Registrar within 14 days from their restoration.

The Beneficial Owner information will not be publicly accessible, with access limited to its registered agent, competent authorities, and law enforcement agencies.

**Filing requirements of the Register of Members (ROM)**

- Private filing of the register of members of BVI entities with the Registrar is mandatory. However, access to such register of members will not be publicly available unless the company elects to do so.
- Entities incorporated on or after January 2, 2025, must file the register of members within 30 days from its incorporation.
- Entities incorporated before January 2, 2025, must file the register of members no later than January 1, 2026.
- Any changes made to the register of members must be filed within 30 days of such changes.

Required information to be filed:

- Name of Individual / Company;
- Place of Birth / Country of Incorporation;
- Date of Birth / Date of Incorporation;
- Nationality / Corporate Number;
- Address / Address Type;
- Certificate No.;
- Amount of Shares issued to the Shareholder;
- If he/she is a joint Shareholder;
- If he/she is a nominee Member;
- Date entered;
- Date Ceased.

For a nominee shareholder, the following information must be added: (a) the name and address of the nominator; (b) the date on which the nominee shareholder ceased to be a member; and c) the date on which a person ceased to be a nominator. Details of changes to the nominee arrangements must also be filed with the Registrar.

**Appointment of the First Director and Register of Directors.**

- The first director(s) must be appointed within **15 days** of its incorporation or continuation into the BVI.
- The first copy of the register of directors must be filed with the Registrar within 15 days from the appointment of the first director(s) or continuation into the BVI, as the case may be.

**Restoration of Struck off companies.**

- The procedures for the restoration of struck-off/dissolved companies have been simplified.
- An alternative option is now available for a proposed registered agent to and undertaking that the company's records will be updated as required or procured and maintained within 14 days of the company's restoration, as opposed to the prior requirement for a declaration in advance. It is important to note that failure to comply with this undertaking will result in the company’s name being struck off the register of companies.

- Companies seeking restoration must submit a copy of its register of members and a copy of its register of directors to the Registrar within 14 days of its restoration, unless these registers were already filed with the Registrar at the time the company was struck off and dissolved.

**Continuation out.**

- Additional declarations in the notice of intention to be filed with the Registrar are required. The notice of intention must now include confirmation that the company does not have any outstanding requests to produce documentation from a competent authority which have not been complied with.

**Filing Requirements for Foreign Entities**

- Foreign Entities applying for registration in the BVI as a Foreign Company, must now disclose additional information upon submitting its request for registration, such as the registered office address in its country of incorporation, a list of its directors and a list of members as of the date of the application to the Registrar.
- Any changes to the information filed with the Registrar must be filed within 30 days of such changes.

**Certificate of Good Standing**

- To obtain a certificate of good standing, a BVI company will need to meet additional requirements where applicable. These include filing up-to-date copies of its register of members and register of directors, as well as beneficial ownership information. Furthermore, the Registrar must not be in receipt of any notification that the company has failed to file an annual return.
- A certificate of good standing will generally be valid for a period of three months from the date stated on the certificate. Where the company to which the request relates has not yet filed its register of members, register of directors, or beneficial ownership information, on the basis that the register of members, register of directors, or beneficial ownership information is not yet due to be filed, the certificate of good standing issued by the Registrar will be valid for the period within which the register of members, register of directors, or beneficial ownership information is required to be filed.

**Impact and Next Steps**

We recommend that all entities review their compliance with the new requirements to ensure alignment with the updated legislation. Failure by a company to comply with these new requirements could result in penalties or operational restrictions. Fees related to compliance with the updated provisions will vary depending on the specific amendments applicable to your entity.