



The International Business Companies Amendment

Our regulatory authority, the Financial Services Authority (the FSA) has advised us that the International Business Companies Amendment (Amendment and Consolidation) Act Chapter 149 of the Revised Laws of Saint Vincent and the Grenadines, 2009 has recently been amended. **This directly affects you if you have an IBC or LLC company registered in Saint Vincent and the Grenadines; and we, Loyal Agency and Trust Corp., are acting for you as Registered Agent.**

The main change is that from 31st December 2014 during each calendar year any IBC (International Business Company) or any LLC (Limited Liability Company) must send the Registered Agent (in your case this is Loyal Agency and Trust Corp.) a declaration that the IBC or LLC company is keeping annual financial statements and accounting records in accordance with the Act, **and** that such records can be made available through us, as your Registered Agent, if requested by the FSA.

You do not have to automatically file your annual financial statements with us however you have to declare to us each year where they are kept (which does not have to be in Saint Vincent and the Grenadines) and confirm that you will promptly make them available to us if asked.

We can only be asked for such annual financial statements by the Financial Services Authority of Saint Vincent and the Grenadines: no other Government or Agency can ask for this disclosure.

We ask for your full cooperation with regard to the additional requirements because the Amendment does introduce higher penalties for IBCs or LLCs that are late or delinquent in meeting their statutory obligations. As we have always done with late renewal penalties, any late filing or other penalties will have to be passed on to the IBC or LLC concerned.

To assist you we have linked below a standard declaration that must be signed and returned to us by the director or by the beneficial owner if a nominee is appointed. This declaration will not be given to the Registry and will not be filed publicly but the Regulator will inspect our files to ensure that we are receiving the declarations from all IBCs and LLCs and have up to date copies on file.

Failing to submit the declaration will mean that the IBC or LLC Company is not on Good Standing and the Authorities can apply penalties to non-compliant companies. The first return is due on or before 31st December 2014. Subsequently, we will be sending reminders of the returns that are due for you in the 4th quarter of every year for signing by the director or by the beneficial owner if a nominee is appointed.

The Authorities have indicated that the company's financial period of the company does not necessarily have to be January to December, although the filing deadline of 31st December of each calendar year remains.

What is prompting the changes?

Like other financial centres who already have this requirement, Saint Vincent and the Grenadines has been required by international regulation to introduce this new requirement and we solicit your kind cooperation as compliance is mandatory.

Extra penalties

The Amendment stipulates severe new penalties for non – submission : these are fines of up to USD 20,000 for each International Business Company in default and , for a Limited Liability Company, a fine of up to USD 20,000 for the LLC and up to USD 10,000 for each Manager as well.

If you are unclear on any the information provided above, or need further details, please contact us as soon as possible.

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