

# LEGISLATIVE UPDATE

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12 December 2024



# AGENDA

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- 1. Legislative Framework**
- 2. Key changes in BVI Business Companies Act and Limited Partnership Act**
  - Definition of “beneficial owner”
  - Requirement to collect, keep, maintain BO information
  - Requirement to file BO information with the Registrar
  - Who is required to file BO information
  - Verification
- 3. BVI Business Companies and Limited Partnerships (Beneficial Ownership) Regulations, 2025**
  - Particulars to be filed
  - Access to BO Register
- 4. Guidance on BO Regulations**
- 5. Key Timelines**
- 6. Penalties**
- 7. Other Key Changes (*applicable to BO framework*)**

# Legislative Framework

Companies	Limited Partnerships
BVI Business Companies Act	Limited Partnership Act
BVI Business Companies and Limited Partnerships (Beneficial Ownership) Regulations (the “BO Regulations”)	
BO Regulations - Guidance	

# BVI Business Companies Act and Limited Partnership Act - section 2(1)

- Definition for “beneficial owner” included
  - “Beneficial owner” is the natural person who ultimately **owns or controls** a company or limited partnership
    - 10% ownership threshold for filing; 25% ownership threshold for access





# BVI Business Companies Act (section 96A) and Limited Partnership Act (section 53B)



Requirement to **collect, keep and maintain** adequate, accurate and up to date BO information



Requirement to **file** adequate, accurate and up to date BO information with the Registrar



Requirement to **file information re. changes** in BO information

# BVI Business Companies Act (section 96A) and Limited Partnership Act (section 53B) (cont'd)

- **Who is required to file BO information**

- Companies incorporated and continued in VI
- Limited partnerships registered and continued in VI

- Exempted

- Companies and limited partnerships listed on a recognised exchange
- Companies that are any of the following funds\*
  - Private funds
  - Professional funds
  - Public funds
  - Private investment funds
  - Incubator funds
  - Approved funds

*\* Fund is only exempt from the filing requirement where its BO information is held by a specified person and can be provided to the Registrar within 24 hours of request*



# BVI Business Companies Act (section 96A) and Limited Partnership Act (section 53B) (cont'd)

**Verification by  
Registered Agent**

Reasonable measures  
to be taken

**Verification by  
Registrar**

# BO Regulations

- Provides detailed information concerning BO under BC and LP regimes
  - 1. Obligations under BO Regulations**
    - Beneficial owners
    - Legal entities
      - Identifying beneficial owners
      - Filing of BO information through registered agent
    - Registered agents
      - Notifying the Registrar of changes in BO particulars
      - Confirming changes to BO particulars



# BO Regulations (cont'd)

## 2. Particulars of BO information to be filed:

- Name
- Date of birth
- Gender
- Occupation
- Nationality
- Residential address
- Country of residence
- Nature of BO's interest in or control over legal entity

# BO Regulations (cont'd)

## 3. Access to BO Register

- Competent authorities and law enforcement agencies in the VI
- Foreign competent authorities and law enforcement agencies
  - Access to BO information pursuant to the Exchange of Notes between UK Government and VI Government (25%)

## 4. Filing requirement for companies whose shares are held by a trustee that is licensed under the Banks and Trust Companies Act

- Non licensed trustees

# Guidance on BO Regulations

- Developed to assist persons in understanding the requirements of the BO Regulations and how they would be applied
  - Understanding BO ownership (ownership and control):
    - Companies
    - Partnerships
    - Trusts

# Key Timelines

- **2 Jan 2025 - Commencement date**

- Companies and limited partnerships to collect, keep and maintain adequate, accurate and up to date BO information
- **New companies and limited partnerships** must file BO information with the Registrar within 30 days after date of incorporation, registration or continuation
- **Existing struck off and dissolved companies and existing struck off and de-registered limited partnerships** must file BO information with the Registrar within 14 days of restoration

- **Jan 2025 to Jun 2025 - Transitional period**

- **Existing companies and existing limited partnerships** must file adequate accurate and up to date BO information with the Registrar within 6 months

- **Jun 2025 to Dec 2025 - Possible extension of transitional period**

- Registrar may extend transitional period for **existing companies and existing limited partnerships** to file BO information up to six (6) months

- *Any changes to BO information (after initial filing) must be filed with the Registrar within 30 days of becoming aware of the change*



# Penalties

- New penalty regime introduced
  - 1. Fixed penalties for late filings**
    - Companies - Part II of Schedule 1 of the BVI Business Companies Act
    - Limited partnerships – Part II of Schedule 1 of the Financial Services (Limited Partnership Fees) Regulations
  - 2. Administrative penalties for specified breaches**  
(based on a tiered penalty system)
    - TIERS
      - TIER I: up to \$10,000
      - TIER II: up to \$25,000
      - TIER III: up to \$50,000
      - TIER IV: up to \$75,000
    - Companies - Schedule 3 of the BVI Business Companies Regulations
    - Limited partnerships – Schedule 2 of the Financial Services (Limited Partnership Fees) Regulations
  - 3. Penalties for breaches of the transitional provisions**
    - Companies - Part VIIB of Schedule 2 of the BVI Business Companies Regulations
    - Limited partnerships - Part III of the Schedule to the Limited Partnership Act



# Failure to file BO information

Period	New Companies	New Limited Partnerships
Month 1	\$500	\$250
Month 2 and 3	\$550 (each month)	\$300 (each month)
Month 4, 5 and 6	\$600 (each month)	\$350 (each month)

*Liable to be struck off or removed after 6 months of non-compliance*

*Part II of Schedule 1 of the BVI Business Companies Act and Part II of Schedule 1 of the Financial Services (Limited Partnership Fees) Regulations*



# Failure to file BO information

Period	Existing companies and existing limited partnerships
Month 1, 2 and 3	\$600
Month 4, 5 and 6	\$800

*Liable to be struck off or removed after 6 months of non-compliance*

*Part VIIB of Schedule 2 of the BVI Business Companies Act and Part III of the Schedule to the Limited Partnership Act*



# Penalty - Failure to file change in BO information

Existing companies	Existing limited partnerships
\$500 each month (up to a maximum of \$6,000)	\$250 each month (up to a maximum of \$5,000)

*Liable to be struck off or removed after maximum penalty accrued*

*Part II of Schedule 1 of the BVI Business Companies Act and Part II of Schedule 1 of the Financial Services (Limited Partnership Fees) Regulations*





# Penalty - Failure to file BO information

- Existing struck off and dissolved companies and existing struck off and de-registered limited partnerships (where restored with the requirement to file BO information within 14 days of restoration)
  - Liable to be struck off and deemed never to have been restored to the Register
  - Any transaction carried out deemed invalid
  - Penalty of \$5,000 in any subsequent application for restoration (if application is made by the same person)

*Part VIIB of Schedule 2 of the BVI Business Companies Act and Part III of the Schedule to the Limited Partnership Act*



# Penalties under BO Regulations

- Penalties for breaches of specified provisions of BO Regulations included in Schedule 3



# Other Key Changes

## 1. Nominee shareholder (companies)

- Requirement to file name and address of nominator with the Registrar

## 2. Certificate of good standing (companies and limited partnerships)

- Filing of BO information required to obtain certificate of good standing
- Certificate of good standing to include statement concerning filing of BO information
- Expiry date introduced
  - Where BO information is not yet required to be filed, certificate of good standing issued for a period up until period when BO filing becomes due

## 3. Power to require return concerning the business and affairs (companies and limited partnerships)

- By order published in the *Gazette* and on Internet





# FSC MEET THE REGULATOR

**FORUM** *BVI*