



Circular No. 1 of 2012

3rd May, 2012

International Business Companies (Amendment) Act, 2011

The Seychelles International Business Authority (SIBA) issues this Circular following the coming into force of the International Business Companies (Amendment) Act, 2011.

In this Circular –

“the Act” means International Business Companies Act, 1994 as amended;

“2011 amendment” means the International Business Companies (Amendment) Act, 2011; and

“existing IBCs” means International Business Companies registered before 27th December, 2011.

1. Address of registered office of International Business Companies (IBCs)

The 2011 amendment has amended section 38 of the Act to require the address of the registered office of every IBC to be similar to that of its registered agent.

Following consultation with International Corporate Service Providers, the Registrar is satisfied that the three-month timeframe provided under section 38(3) of the Act may not be practical to ensure that existing IBCs comply with section 38(1) of the Act. That being said, note that the Registrar expects every IBC to comply with section 38(1) of the Act by 1st January, 2013.

Due to the introduction of this new requirement on existing IBCs, the Registrar will not apply the prescribed fee if the relevant change to the IBC's memorandum is submitted to the Registrar on or before 30th June, 2012.

2. Accounting records to be kept by IBCs

The 2011 amendment has repealed and replaced section 65(1) the Act. The new section clarifies the documents or information that an IBC must keep in relation to accounting records, the location where such records must be kept and the time period for preserving such records.

Given that existing IBCs may not be in a position to comply with section 65(1)(a) of the Act (i.e. in terms of the relevant documents or information relating to proper accounting records, as defined under the Act, kept before 27th December, 2011), this provision will be applied prospectively. That is, the Registrar expects every IBC to keep and preserve proper accounting records arising as of 27th December, 2011 for the timeframe provided under section 65(1)(e) of the Act. However, it is to be noted that an IBC must also keep and preserve such accounts and records as the directors considered necessary or desirable in order to reflect the financial position of the company as per the requirement before the 2011 amendment, for the period referred to under section 65(1)(e) of the Act.

Following consultation with International Corporate Service Providers, the Registrar is satisfied that the three-month timeframe provided under section 65(2)(d) of the Act may not be practical to enable existing IBCs to comply with section 65(1)(d) of the Act. That being said, note that the Registrar expects every IBC to comply with section 65(1)(d) of the Act by 1st January, 2013.

3. Share Register

The 2011 amendment has amended section 28(1)^{*} of the Act to require a copy of the share register of every IBC to be kept in Seychelles.

This amendment is effective as of 27th December, 2011. Following consultation with International Corporate Service Providers, the Registrar is satisfied that a timeframe must be provided to enable existing IBCs to comply with this new requirement. Therefore, the Registrar expects every IBC to comply with section 28(1) of the Act by 1st January, 2013.

4. Register of directors and officers

The 2011 amendment has amended section 65(2)(c) of the Act in order to provide for the content of the register of directors and officers. The amendment also requires the register to be kept in Seychelles.

Following consultation with International Corporate Service Providers, the Registrar is satisfied that the three-month timeframe provided under section 65(2)(d) of the Act may not be practical to enable existing IBCs to comply with section 65(2)(c) of the Act. That being said, note that the Registrar expects every IBC to comply with section 65(2)(c) of the Act by 1st January, 2013.

Seychelles International Business Authority

* Should read section 28(3)