

2019-03-22

OBJECTS AND REASONS

This Bill would amend the *Companies Act*, Cap. 308.

Arrangement of Sections

1. Short title
2. Amendment of section 2 of Cap. 308
3. Repeal and replacement of section 15A of Cap. 308
4. Amendment of section 66 of Cap. 308
5. Amendment of section 170 of Cap. 308
6. Amendment of section 448 of Cap. 308

BARBADOS

A Bill entitled

An Act to amend the *Companies Act*, Cap. 308

ENACTED by the Parliament of Barbados as follows:

Short title

- 1.** This Act may be cited as the *Companies (Amendment) Act, 2019*.

Amendment of section 2 of Cap. 308

2. *Section 2 of the Companies Act, Cap. 308, in this Act referred to as the principal Act, is amended by inserting the following definition in the appropriate alphabetical order:*

- “ ‘prominent public office’ means any of the following offices in Barbados and includes a corresponding office in a foreign state:
- (a) the head of state;
 - (b) any judicial office;
 - (c) a Permanent Secretary, deputy Permanent Secretary, a Head of Department or deputy Head of Department;
 - (d) a Minister, a member of the House of Assembly or a Senator;
 - (e) a chief executive officer, deputy chief executive officer or a member of the Board of a statutory board, a statutory corporation or a state owned enterprise;
 - (f) a senior military officer;
 - (g) a member of the executive of a political party;
 - (h) a chief executive officer, deputy chief executive officer, director, deputy director or a member of the Board of an international organization;
 - (i) any other office, by whatever name called, similar to the offices mentioned in paragraphs (a) to (h);”.

Repeal and replacement of section 15A of Cap. 308

3. *Section 15A of the principal Act is deleted and the following is substituted:*

“Annual return

15A.(1) Subject to this section, every company except an external company to which section 343 applies, shall

- (a) file with the Registrar an annual return in the manner and form prescribed; and
- (b) at the time of filing under paragraph (a) pay the prescribed fee.

(2) A company that is in default in complying with the requirements of subsection (1) or (2) is liable to a penalty of \$10 payable to the Registrar for every day during which the default continues but shall not exceed \$3 000 and every director and officer of the company who knowingly and wilfully authorises or permits the default is also liable to that penalty.

(3) Pursuant to section 412, the Registrar may strike off the register a company that neglects or refuses to file an annual return required under this section.

(4) The Registrar may issue guidelines or administrative directions for the efficient administration of this section including directions in respect of the submission of the annual return in electronic format.

(5) A company where incorporated

- (a) between 1st January and 30th June in any year shall file its annual return no later than 30th June;
- (b) between 1st July and 31st December in any year shall file its annual return no later than 31st December

in every succeeding year after incorporation.

(6) A director or an authorised officer of a company shall certify in an annual return filed under subsection (1), that information related to

shareholders and beneficial ownership is maintained at the registered office of the company.

- (7) Subsection (1) does not apply to
- (a) exempt insurance companies;
 - (b) international business companies;
 - (c) international societies with restricted liability;
 - (d) international financial service entities;
 - (e) private trust companies;
 - (f) foreign sales corporations;
 - (g) an entity that holds a valid foreign currency permit; and
 - (h) any other entity as the Minister may by order designate.”.

Amendment of section 66 of Cap. 308

4. *Section 66 of the principal Act is amended by deleting subsection (1) and substituting the following:*

“(1) At the time of sending articles of incorporation of a company to the Registrar, the incorporators must send him, in the prescribed form, a notice of the names of

- (a) the directors of the company; and
- (b) the name of any director who holds or has held a prominent public office whether in Barbados or elsewhere.”.

Amendment of section 170 of Cap. 308

5. Section 170 of the principal Act is amended

(a) *in subsection (1) by inserting the words “up to date” in the opening words after the words “registered office”;*

(b) *in subsection (2)*

(i) *by inserting in paragraph (a), after the word “shareholder”, the words “and whether the person holds or has held a prominent public office whether in Barbados or elsewhere”;* **and**

(ii) *by deleting paragraph (d) and substituting the following:*

“(d) an up to date and accurate record of the basic and beneficial ownership information of the company whether incorporated or registered in Barbados.

and the register of shareholders shall be maintained for a period of not less than 5 year.”; and

(c) *by deleting subsection (5).*

Amendment of section 448 of Cap. 308

6. Section 448 of the principal Act is amended by deleting paragraph (e) and substituting the following:

“(e) “beneficial owner” means the individual who ultimately owns a body corporate or who exercises the ultimate effective control over the body corporate;

(e.1) “beneficial ownership” means the ultimate ownership or control exercised by a beneficial owner over a body corporate in circumstances where ownership or control is

exercised through a chain of ownership or by means of control, other than direct control;

(e.2) “beneficial interest” includes ownership through a trustee, a legal representative, an agent or any other intermediary;”.

Read three times and passed the House of Assembly this
day of _____, 2019.

Speaker

Read three times and passed the Senate this _____ day of
, 2019.

President