

CAYMAN ISLANDS



Supplement No. 4 published with Extraordinary
Gazette No. 84 dated 31st August, 2012.

**A BILL FOR A LAW TO AMEND THE COMPANIES LAW (2011
REVISION) TO UPDATE PENALTY PROVISIONS; AND TO
PROVIDE FOR INCIDENTAL AND CONNECTED PURPOSES**

THE COMPANIES (AMENDMENT) BILL, 2012

MEMORANDUM OF OBJECTS AND REASONS

This Bill seeks to amend the Companies Law (2011 Revision) to update the penalty provisions.

Clause 1 of the Bill contains the short title.

Clause 2 of the Bill amends section 2 of the principal Law by substituting a new definition for the words “public notice” which provides for digital forms of notices.

Clause 3 of the Bill amends section 4 of the principal Law to provide for a signature to include a digital signature.

Clause 4 of the Bill amends section 11 of the principal Law to make provision for filing of a certified copy of the resolution of the directors authorising an amendment rather than delivery of the same and for payment of a prescribed amendment fee.

Clause 5 of the Bill amends section 17 of the principal Law, which deals with registration of order and minute of reduction, by changing the requirement for delivery to the Registrar to a requirement for filing with the Registrar.

Clause 6 of the Bill amends section 19 of the principal Law, which prohibits concealment of names of creditors, by increasing the penalty from a fine of two hundred dollars or imprisonment for six months to a fine of five thousand dollars or imprisonment for a term of one year, or to both.

Clause 7 of the Bill amends section 26 of the principal Law, which deals with registration, by changing the requirement for delivery to the Registrar to a requirement for filing with the Registrar.

Clause 8 of the Bill amends section 29 of the principal Law, which provides for copies of memorandum and articles to be given to members, by increasing the penalty for default from two dollars to one hundred dollars.

Clause 9 of the Bill amends section 30 of the principal Law, which imposes a restriction on the registration of certain names, by including trust, lottery and gaming in the list of names for which restrictions are imposed.

Clause 10 of the Bill amends section 31 of the principal Law, which provides for changing of the name of a company, by providing for the special resolution authorising the change of name to be filed with the Registrar within thirty days of the change being made and for a change of name not to take effect until the special resolution has been filed with the Registrar.

Clause 11 of the Bill amends section 40 of the principal Law, which provides for a company to keep a register of its members, by increasing the penalty for default from ten dollars for every day during which the default continues to ten thousand dollars.

Clause 12 of the Bill amends section 40A of the principal Law, which imposes a duty on an exempted company to keep a branch register of members, by increasing the penalty for default to a penalty of ten thousand dollars.

Clause 13 of the Bill amends section 41 of the principal Law by requiring names and addresses of directors and officers of a company and the position or office that they hold to be included in the annual list of members and return of capital, shares, calls, etc. to be made by a company and forwarded to the Registrar.

Clause 14 of the Bill amends section 44 of the principal Law, which allows for inspection of the register of members of a company, by increasing the penalty for refusal of inspection from four dollars and a further penalty of four dollars for every day during which such refusal continues to five thousand dollars.

Clause 15 of the Bill amends section 50 of the principal Law, which requires a company to have a registered office, by providing for the registered office to be located in the Islands for all companies. In the case of an exempted company or a non-resident company, the address of the registered office must be the same as the address of the person licensed by the Authority who provides company management services for the exempted company or non-resident company except where the registered office was located at a different address in the Islands immediately prior to the amendment and remains at such address after the amendment made.

Clause 16 of the Bill amends section 53 of the principal Law, which provides for penalties for non-publication of the name of a company, by increasing the penalty from ten dollars to one thousand dollars.

Clause 17 amends section 54 of the principal Law, which provides for a register of mortgages and charges affecting the property of a company to be kept at its registered office, by increasing the penalty for default from one hundred dollars to one thousand dollars. Clause 17 also increases the penalty for authorising the

refusal of an inspection from four dollars for every day during which such refusal continues to five thousand dollars.

Clause 18 of the Bill replaces section 55 of the principal Law, with a new provision which provides for every company to keep at its registered office a register containing the names and addresses of its directors, including alternate directors, and officers and for the company to send a copy of such register to the Registrar within ninety days of the registration of the company and to notify the Registrar of any change that takes place in such directors or officers including a change of the name of such directors or officers, within thirty days of any such change.

Clause 19 of the Bill provides for the amendment of section 56 of the principal Law by increasing the penalty for not keeping a register of directors from ten dollars for every day during which the default continues to ten thousand dollars and a further penalty of ten dollars for every day during which the default continues. The penalty for failing to notify the Registrar of a change is provided as ten dollars for every day during which the default continues.

Clause 20 of the Bill provides for the amendment of section 59 of the principal Law by providing for the books of account to be kept at the registered office of the company.

Clause 21 of the Bill repeals and substitute section 62 the principal Law to provide for the filing of a special resolution rather than forwarding of the same to the Registrar and to provide a penalty of ten dollars per day for failure to comply with the requirement that a copy of a special resolution passed by a company be filed with the Registrar within thirty days of the special resolution being passed.

Clause 22 of the Bill amends section 63 of the principal Law, which provides for copies of special resolutions to be annexed to or embodied in articles of association which have been registered, by increasing the penalty for failure to comply from two dollars to two hundred dollars.

Clause 23 of the Bill amends section 65 of the principal Law by increasing the penalty for refusal or neglect to produce a book or document directed to be produced from forty dollars to five thousand dollars.

Clause 24 of the Bill amends of section 77 of the principal Law by increasing the general penalty for breach of a duty imposed on a company, director or officer from one hundred dollars to ten thousand dollars.

Clause 25 of the Bill amends section 80 of the principal Law to remove the exemption from the requirement imposed on a not for profit company to send a list of its directors or managers to the Registrar.

Clause 26 of the Bill amends of section 86 of the principal Law by changing the requirement for delivery to the Registrar to a requirement for filing with the Registrar and by increasing the penalty for failure to file a copy of the order for compromise or arrangement from two dollars to two hundred dollars.

Clause 27 of the Bill amends section 87 of the principal Law by changing the requirement for delivery to the Registrar to a requirement for filing with the Registrar.

Clause 28 of the Bill amends section 134 of the principal Law by increasing the penalty for fraud in anticipation of winding up from a fine and imprisonment for five years to a fine of twenty thousand dollars or to imprisonment for a term of five years, or to both.

Clause 29 of the Bill amends section 135 of the principal Law by increasing the penalty for transactions in fraud of creditors from a fine and imprisonment for five years to a fine of twenty thousand dollars or to imprisonment for a term of five years, or to both.

Clause 30 of the Bill amends section 173 of the principal Law by increasing the penalty for the making of a false declaration from one thousand dollars and imprisonment for three months to five thousand dollars or to imprisonment for a term of one year, or to both.

Clause 31 of the Bill amends section 176 of the principal Law by increasing the penalty for carrying on business contrary to Part VII from one hundred dollars to one thousand dollars.

Clause 32 of the Bill amends section 184 of the principal Law by imposing a requirement on foreign companies to file (rather than to deliver) documents with the Registrar and an additional requirement that where a document required to be filed by a foreign company is in a language other than the English language, the document is to be filed together with a certified translation of the document in the English Language prepared by a certified translator.

Clause 33 of the Bill amends section 185 of the principal Law by changing the requirement for delivery to the Registrar to a requirement for filing with the Registrar.

Clause 34 of the Bill amends section 187 of the principal Law by changing the requirement for delivery to the Registrar to a requirement for filing with the Registrar.

Clause 35 of the Bill amends section 189 of the principal Law by changing the requirement for delivery to the Registrar to a requirement for filing with the Registrar.

Clause 36 of the Bill amends section 192 of the principal Law in keeping with the amendment made to section 184 which requires filing with the Registrar rather than delivery to the Registrar.

Clause 37 of the Bill amends section 193 of the principal Law by increasing the penalty for failure to comply with Part VIII to one thousand dollars and if the offence is a continuing one to a fine of one hundred dollars for every day during which the offence continued.

Clause 38 of the Bill amends of section 195 of the principal Law by increasing the penalty for violation by a foreign company of a prohibition on the sale of shares or debentures from one thousand dollars and, in default of payment by any director or officer, imprisonment for three months to two thousand dollars and, in default of payment by any director or officer, imprisonment for six months.

Clause 39 of the Bill amends section 199 of the principal Law which deals with fees in lieu of other provisions by increasing the penalty from five hundred dollars to one thousand dollars.

Clause 40 of the Bill amends Part XI of the principal Law by inserting a new section 200A which empowers the Registrar to issue a certificate of good standing and provides that a company shall be deemed to be in good standing where the Registrar is satisfied that the company is in compliance with the provisions of the legislation and that all fees and penalties have been paid.

Clause 41 of the Bill amends section 201 of the principal Law to correct an incorrect reference and to change the requirement for delivery to the Registrar to a requirement for filing with the Registrar and to provide for a certified translation to be filed where a charter document is in a language other than the English language.

Clause 42 of the Bill amends section 206 of the principal Law by imposing a requirement for an exempted company to be in good standing in order to deregister and by changing the incorrect reference to the Governor to a reference

to the Authority and changing the requirement for delivery to the Registrar to a requirement for filing with the Registrar.

Clause 43 of the Bill amends section 210 by changing the requirement for delivery to the Registrar to a requirement for filing with the Registrar.

Clause 44 of the Bill amends section 211 by changing the requirement for delivery to the Registrar to a requirement for filing with the Registrar.

Clause 45 of the Bill amends of section 233 of the principal Law, which deals with merger and consolidation, by imposing a requirement that a statement of the assets and liabilities of the constituent company be filed with the Registrar on filing of a plan of merger or consolidation rather than a director's declaration. Clause 45 also increases the penalty for a false declaration from twenty thousand dollars to fifty thousand dollars.

Clause 46 of the Bill amends section 237 of the principal Law, which deals with merger and consolidation with an overseas company, by increasing the penalty for default from twenty thousand dollars to fifty thousand dollars.

THE COMPANIES (AMENDMENT) BILL, 2012

ARRANGEMENT OF CLAUSES

1. Short title
2. Amendment of section 2 - definitions and interpretation
3. Amendment of section 4 - signature of Registrar
4. Repeal and substitution of section 11 - location of registered office may be changed
5. Amendment of section 17 - registration of order and minute of reduction
6. Amendment of section 19 - penalty for concealment of names of creditors
7. Amendment of section 26 - registration
8. Amendment of section 29 - copies of memorandum and articles to be given to members
9. Amendment of section 30 - restrictions on registration of certain names
10. Amendment of section 31 - change of name
11. Amendment of section 40 - register of members
12. Amendment of section 40A - branch registers of members
13. Amendment of section 41 - annual list of members and return of capital, shares, calls, etc.
14. Amendment of section 44 - inspection of register
15. Amendment of section 50 - registered office of company
16. Amendment of section 53 - penalties on non-publication of name
17. Amendment of section 54 - register of mortgages
18. Repeal and substitution of section 55 - list of directors to be sent to Registrar
19. Repeal and substitution of section 56 - penalty on company not keeping a register of directors
20. Amendment of section 59 - accounts and audits
21. Repeal and substitution of section 62 - recording of special resolutions
22. Amendment of section 63 - copies of special resolutions
23. Amendment of section 65 - powers of inspectors
24. Amendment of section 77 - general penalty; application of fines
25. Amendment of section 80 - circumstances in which the Governor may licence a company to be registered without "limited" in its name
26. Amendment of section 86 - power to compromise with creditors and members
27. Amendment of section 87 - provisions for facilitating reconstruction and amalgamation of companies
28. Amendment of section 134 - fraud, etc. in anticipation of winding up
29. Amendment of section 135 - transactions in fraud of creditors
30. Amendment of section 173 - penalty for false declaration
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32. Amendment of section 184 - documents etc., to be delivered to Registrar by foreign companies
33. Amendment of section 185 - power of certain foreign companies to hold land
34. Amendment of section 187 - return to be delivered to Registrar where documents etc., altered
35. Amendment of section 189 - service on foreign company to which this Part applies
36. Amendment of section 192 - removing company's name from register
37. Amendment of section 193 - penalties for failing to comply with this Part
38. Amendment of section 195 - power of Registrar to prohibit sale
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40. Amendment of Part XI - general
41. Amendment of section 201 - application for continuation
42. Amendment of section 206 - deregistration of exempted companies including companies registered under this Part
43. Amendment of section 210 - ordinary non-resident company may be reregistered as exempted company
44. Amendment of section 211 - effect of reregistration of ordinary non-resident company as an exempted company
45. Amendment of section 233 - merger and consolidation
46. Amendment of section 237 - merger or consolidation with overseas company

CAYMAN ISLANDS

A BILL FOR A LAW TO AMEND THE COMPANIES LAW (2011 REVISION) TO UPDATE PENALTY PROVISIONS; AND TO PROVIDE FOR INCIDENTAL AND CONNECTED PURPOSES

ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Companies (Amendment) Law, 2012. Short title

2. The Companies Law (2011 Revision), in this Law referred to as the “principal Law”, is amended in section 2(1) by deleting the definition of the words “public notice” and substituting the following definition - Amendment of section 2
- definitions and interpretation

“ “public notice” means a public notice (whether in digital form or not) affixed by the Registrar at such place as may be determined, from time to time, by the Registrar;”.

3. The principal Law is amended in section 4 by repealing subsection (2) and substituting the following subsection - Amendment of section 4
- signature of Registrar

“ “ (2) In subsection (1) -
“signature” includes a facsimile of a signature however reproduced and a digital signature.”.

4. The principal Law is amended by repealing section 11 and substituting the following section - Repeal and substitution
of section 11 - location
of registered office may
be changed

“Address of registered office may be changed

11. (1) A company may, by resolution of the directors, change the address of the registered office of the company to another address in the Islands, and shall, within thirty days from the date on which the resolution is made, file with the Registrar a certified copy of the resolution of the directors authorising the change together with the prescribed amendment fee.

(2) Until subsection (1) is complied with, the company shall not be deemed to have complied with this Law with respect to having a registered office.”.

Amendment of section 17 - registration of order and minute of reduction

5. The principal Law is amended in section 17(1) by deleting the words “delivery to him” and substituting the words “filing with him”.

Amendment of section 19 - penalty for concealment of names of creditors

6. The principal Law is amended in section 19 by deleting the words “commits a misdemeanor and is liable on summary conviction to fine of two hundred dollars or to imprisonment for six months” and substituting the words “commits an offence and is liable on summary conviction to a fine of five thousand dollars or to imprisonment for a term of one year, or to both”.

Amendment of section 26 - registration

7. The principal Law is amended in section 26(1) by deleting the words “delivered in duplicate to the Registrar who shall file and” and substituting the words “filed in duplicate with the Registrar who shall”.

Amendment of section 29 - copies of memorandum and articles to be given to members

8. The principal Law is amended in section 29 by deleting the words “to a penalty of two dollars” and substituting the words “to a penalty of one hundred dollars”.

Amendment of section 30- restrictions on registration of certain names

9. The principal Law is amended in section 30(2) as follows -

- (a) in paragraph (b) by deleting the word “or” appearing after the semi-colon;
- (b) in paragraph (c) as follows -
 - (i) by inserting after the word “ “insurance” ” the word “ , “trust” ”;
 - (ii) by deleting the word “four”; and
 - (iii) by deleting the full stop and substituting the word “; or”; and
- (c) by inserting after paragraph (c) the following paragraph -

- “ (d) contains the word “gaming” or “lottery” or any similar word which in the opinion of the Registrar connotes any such activity or any derivative of such words or of such similar word, whether in English or in any other language, or in the opinion of the Registrar suggests or is calculated to suggest any such activity.”.

10. The principal Law is amended in section 31 as follows -

Amendment of section
31- change of name

- (a) in subsection (1) by inserting after the words “special resolution” the words “filed with the Registrar in accordance with subsection (2)”;
- (b) in subsection (2) by deleting the words “the Registrar, on receiving the special resolution authorising the same” and substituting the words “the company shall, within thirty days of the change being made, file with the Registrar a special resolution authorising the same and the Registrar on receiving the special resolution”;
- (c) in subsection (4) by deleting the words “under subsection (3)” and substituting the words “under subsection (2) or (3)”;
- (d) by inserting after subsection (4) the following subsection -

“ (5) For the avoidance of doubt a change of name made pursuant to subsection (1) shall not take effect until the special resolution has been filed with the Registrar in accordance with subsection (2).”.

11. The principal Law is amended in section 40(2) as follows -

Amendment of section
40 - register of members

- (a) by deleting the words “ten dollars for every day during which the default continues” and substituting the words “ten thousand dollars”; and
- (b) by deleting the word “contravention” and substituting the word “default”.

12. The principal Law is amended in section 40A(5) by deleting the words “a fine and, for continued contravention, to a daily default fine on the same basis as is set out in section 40(2)” and substituting the words “a penalty of ten thousand dollars; and every director or manager of the company who knowingly and wilfully authorises or permits such default shall incur the like penalty.”.

Amendment of section
40A - branch registers of
members

13. The principal Law is amended in section 41(1) as follows -

Amendment of section
41 - annual list of
members and return of
capital, shares, calls etc.

- (a) in paragraph (f) by deleting the word “and”;
- (b) in paragraph (g) by deleting the full stop and substituting the word “; and”;

- (c) by inserting after paragraph (g) the following paragraph -
“(h) names and addresses of directors and officers of the company and the position or office that they hold.”.
- Amendment of section 44 - inspection of register
14. The principal Law is amended in section 44 as follows -
- (a) by deleting the words “or, in the case of an exempted company, at any other place within or without the Islands”; and
- (b) by deleting the words “four dollars and a further penalty of four dollars for every day during which such refusal continues” and substituting the words “five thousand dollars”.
- Amendment of section 50 - registered office of company
15. The principal Law is amended in section 50 as follows -
- (a) by renumbering section 50 as section 50(1);
- (b) in subsection (1) as renumbered by inserting after the words “registered office” the words “in the Islands”; and
- (c) by inserting after subsection (1) the following subsection -
“(2) In the case of an exempted company or a non-resident company, the address of the registered office referred to in subsection (1) shall be the same as the address of the person licensed by the Authority who provides company management services for the exempted company or non-resident company except where the registered office was located at a different address in the Islands immediately prior to the date of commencement of this provision and remains at such address on or after the date of commencement of this provision.”.
- Amendment of section 53 - penalties on non-publication of name
16. The principal Law is amended in section 53 by deleting the words “ten dollars for not so painting or affixing its name, and for every day during which such name is not so kept painted or affixed” and substituting the words “one thousand dollars”.
- Amendment of section 54 - register of mortgages
17. The principal Law is amended in section 54 as follows -
- (a) in subsection (2) by deleting the words “one hundred dollars” and substituting the words “one thousand dollars”; and
- (b) in subsection (3) by deleting the words “four dollars for every day during which such refusal continues” and substituting the words “five thousand dollars”.
- Repeal and substitution of section 55 - list of directors to be sent to Registrar
18. The principal Law is amended by repealing section 55 and substituting the following section -

“List of directors, including alternate directors, and officers

55. Every company shall keep at its registered office a register containing the names and addresses of its directors, including alternate directors, and officers, and shall -

- (a) send a copy of such register to the Registrar within ninety days of the registration of the company; and
- (b) notify the Registrar of any change that takes place in such directors or officers including a change of the name of such directors or officers, within thirty days of any such change.”.

19. The principal Law is amended by repealing section 56 and substituting the following section -

Repeal and substitution of section 56 - penalty on company not keeping a register of directors

“Penalty for failure to keep register of directors or notify the Registrar of any change

56. A company who fails to comply with -

- (a) section 55(a) shall incur a penalty of ten thousand dollars and a further penalty of ten dollars for every day during which the default continues; or
- (b) section 55(b) shall incur a penalty of ten dollars for every day during which the default continues;

and a director or manager of the company who knowingly and wilfully authorizes or permits such default shall incur the like penalty.”.

20. The principal Law is amended in section 59(1) by inserting after the word “kept” the words “at its registered office”.

Amendment of section 59 - accounts and audits

21. The principal Law is amended by repealing section 62 and substituting the following section -

Repeal and substitution of section 62 - recording of special resolutions

“Recording of special resolutions

62. (1) A company shall file with the Registrar a copy of any special resolution passed by such company under this Law within thirty days of such special resolution being passed.

(2) A company who fails to comply with subsection (1) shall incur a penalty of ten dollars for every day during which the default continues; and a director or manager of the company who knowingly and wilfully authorizes or permits

such default shall incur the like penalty.”.

Amendment of section 63 - copies of special resolutions

22. The principal Law is amended in section 63(3) by deleting the words “two dollars” and substituting the words “two hundred dollars”.

Amendment of section 65 - powers of inspectors

23. The principal Law is amended in section 65 by deleting the words “not exceeding forty dollars” and substituting the words “of five thousand dollars”.

Amendment of section 77 - general penalty; application of fines

24. The principal Law is amended in section 77 by deleting the words “one hundred dollars” and substituting the words “ten thousand dollars”.

Amendment of section 80 - circumstances in which the Governor may licence a company to be registered without “limited” in its name

25. The principal Law is amended in section 80(1) by deleting the words “, directors or managers”.

Amendment of section 86 - power to compromise with creditors and members

26. The principal Law is amended in section 86 as follows -

- (a) in subsection (3) by deleting the words “delivered to the Registrar” and substituting the words “filed with the Registrar”;
- and
- (b) in subsection (4) by deleting the words “two dollars” and substituting the words “two hundred dollars”.

Amendment of section 87 - provisions for facilitating reconstruction and amalgamation of companies

27. The principal Law is amended in section 87(3) by deleting the words “delivered to the Registrar” and substituting the words “filed with the Registrar”.

Amendment of section 134 - fraud, etc.in anticipation of winding up

28. The principal Law is amended in section 134(1) by deleting the words “on conviction to a fine and to imprisonment for five years” and substituting the words “on summary conviction to a fine of twenty thousand dollars or to imprisonment for a term of five years, or to both”.

Amendment of section 135 - transactions in fraud of creditors

29. The principal Law is amended in section 135 by deleting the words “on conviction to a fine and to imprisonment for five years” and substituting the words “on summary conviction to a fine of twenty thousand dollars or to imprisonment for a term of five years, or to both”.

Amendment of section 173 - penalty for false declaration

30. The principal Law is amended in section 173 by deleting the words “one thousand dollars and to imprisonment for three months” and substituting the

words “five thousand dollars or to imprisonment for a term of one year, or to both”.

31. The principal Law is amended in section 176 by deleting the words “one hundred dollars” and substituting the words “one thousand dollars”.

Amendment of section 176 - penalty for carrying on business contrary to this Part

32. The principal Law is amended in section 184 as follows -

Amendment of section 184 - documents etc., to be delivered to Registrar by foreign companies

- (a) in the marginal note by deleting the words “delivered to Registrar” and substituting the words “filed with Registrar”;
- (b) in subsection (1) as follows -
 - (i) by deleting the words “deliver to the Registrar” and substituting the words “file with the Registrar”; and
 - (ii) in paragraph (b) by deleting the words “delivery to the Registrar” and substituting the words “filing with the Registrar”; and
- (c) by inserting after subsection (1) the following subsection -

“ (1A) Where a document required to be filed by a foreign company under subsection (1) is in a language other than the English language, the document shall be filed together with a certified translation of the document in the English Language prepared by a certified translator.”.

33. The principal Law is amended in section 185 as follows -

Amendment of section 185 - power of certain companies to hold land

- (a) in subsection (1) by deleting the words “delivered to the Registrar” and substituting words “filed with the Registrar”; and
- (b) in subsection (4) by deleting the words “delivered by the company to the Registrar” and substituting the words “filed with the Registrar by the company”.

34. The principal Law is amended in section 187 as follows -

Amendment of section 187 - return to be delivered to Registrar where documents etc., altered

- (a) in the marginal note by deleting the words “delivered to Registrar” and substituting words “filed with Registrar”; and
- (b) by deleting the words “deliver to the Registrar” and substituting the words “file with the Registrar”.

35. The principal Law is amended in section 189 as follows -

Amendment of section 189 - service on foreign company to which this Part applies

- (a) by deleting the words “delivered to the Registrar” and substituting the words “filed with the Registrar”;
- (b) in paragraph (a) of the proviso by deleting the words “delivering to the Registrar” and substituting the words “filing with the Registrar”; and

- (c) by deleting the words “so delivered” wherever they appear and substituting the words “so filed”.

Amendment of section 192 - removing company's name from register

36. The principal Law is amended in section 192 by deleting the words “deliver any document to the Registrar” wherever they appear and substituting the words “file any document with the Registrar”.

Amendment of section 193 - penalties for failing to comply with this Part

37. The principal Law is amended in section 193 by deleting the words “one hundred dollars or, in the case of a continuing offence, a further fine of ten dollars for every day during which the default continues” and substituting the words “one thousand dollars and if the offence is a continuing one to a fine of one hundred dollars for every day during which the offence has continued”.

Amendment of section 195 - power of Registrar to prohibit sale

38. The principal Law is amended in section 195 by deleting the words “one thousand dollars and, in default of payment by any director or officer, to imprisonment for three months” and substituting the words “two thousand dollars and, in default of payment by any director or officer, to imprisonment for six months”.

Amendment of section 199 - fees in lieu of other provisions

39. The principal Law is amended in section 199(3) by deleting the words “five hundred dollars” wherever they appear and substituting the words “one thousand dollars”.

Amendment of Part XI - general

40. The principal Law is amended in Part XI by inserting after section 200 the following section -

“Certificate of good standing.

200A.(1) The Registrar may on application made by a company issue a certificate of good standing to a company that is in good standing in accordance with subsection (2).

(2) A certificate of good standing is evidence of the fact that the company is in good standing on the date that the certificate of good standing is issued.

(3) A company shall be deemed to be in good standing where the Registrar is satisfied that the company is in compliance with the provisions of this Law and that all fees and penalties under this Law have been paid.”.

Amendment of section 201 - application for continuation

41. The principal Law is amended in section 201 as follows -

(a) in subsection (2) as follows -

(i) by repealing paragraph (c) and substituting the following paragraph -

- “ (c) the registrant has filed with the Registrar the documents listed in paragraphs (a) to (d) of section 184(1) (in this Part referred to as “the charter documents”) and where a charter document is in a language other than the English language, the charter document shall be filed together with a certified translation of the charter document in the English Language prepared by a certified translator;” and
- (ii) in paragraph (l) by deleting the words “delivered to the Registrar” and substituting the words “filed with the Registrar”; and
- (b) in subsection (9) by deleting the words “deliver, to the Registrar” and substituting the words “file with the Registrar”.
42. The principal Law is amended in section 206(2) as follows -
- (a) by inserting after the words “de-register an applicant if” the words “the applicant is in good standing and”;
- (b) in paragraph (i) by deleting the words “delivered to the Registrar” and substituting the words “filed with the Registrar”; and
- (c) in paragraph (m) by deleting the word “Governor” and substituting the word “Authority”.
43. The principal Law is amended in section 210(1)(b) by deleting the words “delivered to the Registrar” and substituting the words “filed with the Registrar”.
44. The principal Law is amended in section 211(1)(a) by deleting the words “delivered to him” and substituting the words “filed with him”.
45. The principal Law is amended in section 233 as follows -
- (a) in subsection (9)(e) -
- (i) by deleting the words “director’s declaration” and substituting the word “statement”; and
- (ii) by deleting the word “declaration” and substituting the word “statement”; and
- (b) in subsection (14) by deleting the words “twenty thousand dollars” and substituting the words “fifty thousand dollars”.
46. The principal Law is amended in section 237(4) deleting the words “twenty thousand dollars” and substituting the words “fifty thousand dollars”.
- Amendment of section 206 - deregistration of exempted companies including companies registered under this Part
- Amendment of section 210 - ordinary non-resident company may be registered as an exempt company
- Amendment of section 211 - effect of registration of ordinary non-resident company as an exempted company
- Amendment of section 233 - merger and consolidation
- Amendment of section 237 - merger and consolidation with overseas company

Passed by the Legislative Assembly the day of , 2012.

Speaker.

Clerk of the Legislative Assembly.