



Financial Services Regulatory Commission

Circular No. 3 of 2020

To: All Corporate Management and Trust Service Providers
From: Bunny Govia-Butler, Manager, IBCs & CMTSPs
Date: July 16, 2020
Subject: Reinstatement of IBCs & the Immobilization of Bearer Shares

The Commission refers to Section 335(6) of the IBC Act which pertains to the reinstatement of companies that have been previously struck from the register. This section states as follows:

When a corporation is struck off the register and the cause of such striking has been cured, the Board may, upon receipt of an application in the prescribed form and upon payment of any fees and penalties due, restore it to the register, and reinstate any licenses previously issued to the corporation to engage in international banking, trust or insurance business, under such conditions as it determines appropriate.

In accordance with the foregoing, the Commission informs that as part of the reinstatement process, consideration will be given to section 27 of the IBC Act, to confirm that applicable IBCs have prescribed registered shares.

Section 27(1) of the IBC Act now states as follows: *“Shares in a corporation must be registered shares only.”*

Further, service providers managing bear share entities are required to provide the Commission with a list identifying these entities by August 31, 2020. The Commission also reminds that only service providers that are duly licensed as authorized custodians of bearer shares should maintain bearer share entities in accordance with the requirements of the Corporate Management and Trust Service Providers Act (CMTSP Act).

Service providers managing bearer share entities, who are not authorized custodians will be required to submit articles of amendment to the Commission to amend the shares to registered form. Additionally, where shares are unspecified, the company seeking reinstatement will, as a precondition, be required to amend its articles to specify the class of shares as registered shares.

The Commission also refers to Section 18 of the CMTSP Act, and advises that in the case of older companies or companies that have been inactive for extended periods, consideration will be given to confirming the beneficial ownership and control status as part of the reinstatement process. In this regard, a completed attestation of beneficial ownership and control must accompany these reinstatement requests. This requirement will become effective on Monday, August 3, 2020.

Please be guided accordingly.