



No. 19 of 2001

[Date of Assent - 7<sup>th</sup> September, 2001]

AN ACT TO AMEND THE INTERNATIONAL BUSINESS  
COMPANIES ACT, 2000

Enacted by the Parliament of The Bahamas

Short  
title  
and com-  
mencement.  
No. 45.  
of 2000.  
Amendment  
of section  
2 of the  
principal  
Act.

1. (1) This Act which amends the International Business Companies Act, 2000 may be cited as the International Business Companies (Amendment) Act, 2001.

(2) This Act shall be deemed to have come into operation on the 29<sup>th</sup> day of December, 2000.

2. Section 2 of the principal Act is amended -

(a) in subsection (3) -

- (i) by the deletion of the words "Board of directors" appearing in paragraph (a) and the substitution therefor of the words "committee of directors",
- (ii) by the deletion of the words "Board of the directors" appearing in paragraph (b) and the substitution therefor of the words "committee of directors";

(b) in subsection (4)(b)(ii), by the deletion of the words "an absolute majority" and by the substitution therefor of the words "a simple majority".

Repeal  
and re-

3. Section 4 of the principal Act is repealed and replaced by the following -

placement  
of section  
4 of the  
principal  
Act.

"Per- 4. No person other than a  
sons bank or trust company licensed under  
who the Banks and Trust Companies  
can in- Regulation Act, 2000 shall incorpor-  
corpor- ate an International Business  
ate In- Company unless such person is  
terna- licensed and approved under the  
tional Financial and Corporate Service  
Busi- Providers Act, 2000."  
ness  
Compa-  
nies.

Amendment  
of section  
10 of the  
principal  
Act.

4. Section 10 of the principal Act is amended by  
the insertion after paragraph (b)(vi) of the following -  
"(vii) unnumbered shares;"

Amendment  
of section  
15 of the  
principal  
Act.

5. Subsection (8) of section 15 of the principal  
Act is repealed.

Amendment  
of section  
25 of the  
principal  
Act.

6. Subsection (3) of section 25 of the principal  
Act is repealed.

Amendment  
of section  
29 of the  
principal  
Act.

7. Subsection (1) of section 29 of the principal  
Act is amended by the insertion after the words "cause to be  
kept" of the words "at its registered office".

Amendment  
of section  
32 of the  
principal  
Act.

8. Section 32 of the principal Act is amended -  
(a) by the repeal of subsection (1) and the  
replacement thereof of the following -  
"(1) Subject to any limitations in  
its Memorandum or Articles, a  
company may purchase, redeem or  
otherwise acquire and hold its own  
shares."  
(b) in subsection (2), by the repeal of

paragraph (b) and the replacement thereof of the following -

"(b) the realizable value of the assets of the company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in the books of account;"

(c) in subsection (4), by the deletion of the words "section 25" and the substitution therefor of the words "section 34".

Amendment 9. Paragraph (b) of section 33 of the principal Act is repealed and replaced by the following -

of section 33 of the principal Act.

"(b) are held by another company of which the first company holds, directly or indirectly, shares having more than 50 per cent of the votes in the election of directors of that other company,".

Amendment 10. Paragraph (a) of subsection (3) of section 42 of the principal Act is repealed and replaced by the following -

of section 42 of the principal Act.

"(a) a director shall cease to hold the office of director if a majority requests his resignation in writing;".

Repeal and replacement 11. Section 43 of the principal Act is repealed and replaced by the following -

of section 43 of the principal Act.

Num- 43. The number of directors shall be fixed by the Articles and subject to any limitations in the Memorandum or Articles, the Articles may be amended to change the number of directors."

Amendment 12. Section 44 of the principal Act is amended -

of section 44 of the principal Act.

(a) in subsection (3), by the deletion of the words "a copy of the register" and the substitution therefor of the words "The register";

(b) in subsection (4), by the deletion of the words "The register" and the substitution therefor of the words "A copy of the register".

Amendment 13. Section 47 of the principal Act is amended -

of section  
47 of the  
principal  
Act.

- (a) in the marginal note, by the deletion of the word "Board" and the substitution therefor of the word "Committee";
- (b) in subsection (1), by the deletion of the word "Boards" and the substitution therefor of the word "Committees";
- (c) in subsection (2) -
  - (i) by the deletion of the word "Board" wherever such word appears in the subsection and the substitution therefor of the word "Committee";
  - (ii) by the deletion of the words "section 2(3)" and the substitution therefor of the words "section 42 or 53".

Repeal  
and re-  
placement  
of section  
50 of the  
principal  
Act.

14. Section 50 of the principal Act is repealed and replaced by the following -

"Quorum 50. The quorum for a meeting of directors is that fixed by the Memorandum or Articles of directors."

Amendment  
of section  
51 of the  
principal  
Act.

15. Section 51 of the principal Act is amended by the deletion of the word "Board" wherever such word appears in the section and the substitution therefor of the word "Committee".

Amendment  
of the  
principal  
Act.

16. The principal Act is amended by the insertion after section 52 of the following -

"Meet- 52A. Where there is a single ing of director or a single shareholder of a company incorporated under this Act, any requirement in this Act or in the Articles for a meeting of directors or shareholders for any purpose shall be satisfied where such single director or single shareholder passes a resolution in lieu of such meeting."

Amendment

17. Subsection (1) of section 56 of the principal

of section  
56 of the  
principal  
Act.

Act is amended by the deletion of the word "Board" and the substitution therefor of the word "Committee".

Amendment  
of section  
59 of the  
principal  
Act.

18. Section 59 of the principal Act is amended -  
(a) by the repeal of subsection (1);  
(b) by the renumbering of subsections (2),  
(3), (4), (5) and (6) as subsections (1),  
(2), (3), (4) and (5) respectively.

Amendment  
of section  
81 of the  
principal  
Act.

19. Paragraph (c) of subsection (4) of section 81 of the principal Act is amended by the deletion of the words "section 76" and the substitution therefor of the words "section 82".

Amendment  
of section  
92 of the  
principal  
Act.

20. Paragraph (c) of section 92 of the principal Act is repealed and replaced by the following -  
"(c) where at any time there is no member of  
the company;".

Amendment  
of section  
112 of the  
principal  
Act.

21. Section 112 of the principal Act is amended by the insertion after the words "the court shall" of the words "distinguish between persons who are contributories".

Amendment  
of section  
135 of the  
principal  
Act.

22. Paragraph (h) of subsection (1) of section 135 of the principal Act is amended by the deletion of the words "plan of liquidation" and the substitution therefor of the words "plan of dissolution".

Amendment  
of section  
140 of the  
principal  
Act.

23. Section 140 of the principal Act is amended -  
(a) by the deletion of the figures and symbols "140.(1)" and the substitution therefor of the figures "140.";   
(b) by the repeal of subsection (2).

Amendment  
of section  
164 of the  
principal  
Act.

24. Section 164 of the principal Act is amended -  
(a) in subsection (1), by the deletion of the words "Notwithstanding section 6, where the Registrar has reasonable cause to believe" and the substitution therefor of the words "Where the Registrar has reasonable cause to believe".

- (b) by the insertion after subsection (5) of the following -

"(6) If the default with respect to any prescribed fee is not remedied within the time specified in subsection (5), the Registrar may strike the company off the Register and publish notice of the striking-off in the Gazette."

Amendment  
of section  
175 of the  
principal  
Act.

25. Section 175 of the principal Act is amended -
- (a) by the repeal of subsection (2);
- (b) by the renumbering of subsections (3), (4), (5) and (6) as subsections (2), (3), (4) and (5) respectively;
- (c) in subsection (5) as renumbered, by the deletion of the words "In subsection (5)" and the substitution therefor of the words "In subsection (4)".

Amendment  
of section  
186 of the  
principal  
Act.

26. Section 186 of the principal Act is amended -
- (a) in subsection (3) -
- (i) by the deletion of the colon and the substitution therefor of a full-stop,
- (ii) by the repeal of the proviso;
- (b) by the insertion after subsection (3) of the following -

"(4) Stamp duty shall only be payable by an International Business Company in relation to real property situate in The Bahamas which it owns, or which is owned by any company in which it holds shares or for which it holds a lease."

Repeal  
and re-  
placement  
of section  
194 of the  
principal  
Act.

27. Section 194 of the principal Act is repealed and replaced by the following -

"Repeal. 194.(1) The International Business Companies Act, 1989 with the exception of Part X is hereby repealed and the said Part X shall be repealed on the 1<sup>st</sup> day of January, 2002.

(2) Notwithstanding sub-

section (1), any International Business Company which commenced winding-up under the repealed Act shall in respect of such winding-up continue to be governed by the winding-up provisions of that Act.".

Amendment  
of section  
195 of the  
principal  
Act.

28. Section 195 of the principal Act is amended -  
(a) by the repeal of subsection (1) and  
the replacement thereof of the  
following -

"(1) Subject to section 194(2) and subsection (4) of this section, every International Business company in existence immediately before the commencement of this Act shall continue in existence and shall satisfy the requirements of this Act within 12 months from the commencement of this Act and shall thereafter be continued as an International Business Company incorporated under this Act.";

(b) in subsection (2) -

- (i) by the deletion of the full stop and the substitution therefor of a colon,
- (ii) by the insertion immediately thereafter of the following proviso -

"Provided that it shall not be necessary for a company to amend its Memorandum and Articles in order to satisfy the requirements of this Act.".

