

**THE COMPANIES (AMENDMENT) LAW, 1987
(LAW 24 OF 1987)**

CAYMAN ISLANDS

Law 24 of 1987

I Assent

ALAN SCOTT

Governor

30th December, 1987

A LAW TO AMEND THE COMPANIES LAW

ENACTED by the Legislature of the Cayman Islands.

Short title.

1. This Law may be cited as the Companies (Amendment) Law, 1987.

Substitution of ss. 6 to 11.

2. Sections 6 to 11 (inclusive) of the Companies Law, in this Law referred to as the principal Law, are substituted by the following -

"Memorandum of association

6.(1) The Memorandum of Association shall, subject to subsections (2), (3) and (4) of this section and to sections 7 and 8, contain -

- (a) the name of the proposed company, with the addition, in the case of any company not being an exempted company or a company formed on the principle of having no limit placed on the liability of its members, in this Law referred to as an unlimited company, of the word "Limited" or the abbreviation "Ltd." as the last word in such name; and
- (b) the part of the Islands in which the registered office of the company is proposed to be situate.

(2) No subscriber shall take less than one share.

(3) Each subscriber of the memorandum of association shall write opposite to his name the number of shares he takes.

(4) The memorandum of association may specify objects for which the proposed company is to be established and may provide that the business of the company shall be restricted to the furtherance of the specified objects. If no objects are specified or if objects are specified but the business of the company is not restricted to the furtherance of those objects, then the company shall have full power and the authority to carry out any object not prohibited by this or any other Law. This subsection applies to companies incorporated prior to the date of commencement of the Companies (Amendment) Law, 1987.

Company limited by shares.

7. Where a company is formed on the principle of having the liability of its members limited to the amount unpaid on their shares, in this Law referred to as a company limited by shares, the memorandum of association shall also contain –

- (a) a declaration that the liability of the members is limited; and
- (b) the amount of capital with which the company proposes to be registered, divided into shares of a certain fixed amount to be also therein specified, which capital and shares of a fixed amount may be expressed in and subscribed for in any one or more currencies.

Company limited by guarantee.

8. Where a company is formed on the principle of having the liability of its members limited to such amount as the members respectively undertake to contribute to the assets of the company in the event of the same being wound up, in this Law referred to as a company limited by guarantee, the memorandum of association shall also contain a declaration that each

member undertakes to contribute to the assets of the company, in the event of the same being wound up during the time that he is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before the time at which he ceases to be a member, and of the costs, charges and expenses of the winding up of the company, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding a specific amount to be therein named.

9. A company may, by special resolution, alter its memorandum of association with respect to any objects, powers or other matters specified therein.

10.(1) A company may by resolution of the directors change the location of the registered office of the company to another location in the Islands:

Provided that within thirty days from the date on which the resolution changing the location of the registered office is passed the company shall deliver to the Registrar a certified copy of the resolution of the directors authorizing the same.

(2) Until such notice is given, the company shall not be deemed to have complied with the provisions of this Law with respect to having an office.

11. The memorandum of association shall be signed by each subscriber in the presence of and be attested by at least one witness. It shall, when registered, bind the company and the members thereof to the same extent as if each member had subscribed his name and affixed his seal thereto and there were in the memorandum contained on the part of himself, his heirs, executors and administrators a covenant to observe all the conditions of such memorandum, subject to the provisions of this Law, and all monies payable by any member to the company under such memorandum shall be deemed to be a debt due from such member to the company.”.

Memorandum of association may be altered.

Location of registered office may be changed.

Signature and effect of memorandum of association.

Amendment of s. 13.

3. Section 13 of the principal Law is amended by inserting "to the provisions of section 34 and subject" immediately after "Subject" in the first line of subsection (1).

Amendment of s. 20.

4. Section 20 of the principal Law is amended by repealing subsection (3).

Substitution of ss. 25 to 27.

5. Sections 25 to 27 (inclusive) of the principal Law are substituted by the following -

"Registration"

25.(1) The memorandum of association and the articles of association (if any) in duplicate shall be delivered to the Registrar who shall file and retain the original thereof and shall return the duplicate thereof endorsed with a memorandum of registration and a memorandum of the particulars set out in subsection (2).

(2) Each memorandum of association and the articles of association (if any) shall be numbered and filed consecutively and shall be endorsed with the date of the month and year of such filing.

(3) A register of companies shall be kept in which shall be entered the following particulars which shall be annexed to the memorandum of association and articles of association (if any) in so far as they are not included therein -

- (a) the name of the company;
- (b) the part of the Islands in which the registered office of the company is proposed to be situate;
- (c) the amount of capital of the company and in the case of a company having its share capital divided into shares of a nominal or par value the number of shares into which it is divided and the fixed amounts thereof;
- (d) the names and addresses of the subscribers to the memorandum of association and

the number of shares taken by each subscriber;

- (e) the date of execution of the memorandum of association;
- (f) the date of filing of the memorandum of association;
- (g) the number assigned to the company; and
- (h) in the case of a company limited by guarantee or which has no limit placed on the liability of its members, that the same is limited by guarantee or is unlimited,

and any of the particulars as hereinbefore specified which may be inappropriate to the case may be omitted.

(4) Upon the filing of a memorandum of association under this section, there shall be paid to the Registrar -

- (i) in the case of a non-resident company, a fee of five hundred dollars plus a further fee equivalent to one-twentieth of one per centum of the amount by which the value of the registered capital of the company exceeds eight hundred thousand dollars but does not exceed two million, four hundred thousand dollars;
- (ii) in the case of an exempted company, a fee of eight hundred and fifty dollars plus a further fee equivalent to one-tenth of one per centum of the amount by which the value of the registered capital exceeds seven hundred and fifty

thousand dollars but does not exceed one million, eight hundred thousand dollars:

- (iii) in the case of any other company, a fee of two hundred dollars plus a further fee of one-twentieth of one per centum of the amount by which the value of the registered capital of the company exceeds three hundred thousand dollars but does not exceed two million, four hundred thousand dollars.

**Consequences of
incorporation.**

26. (1) Upon the filing of the memorandum of association a company shall be deemed to be registered, and the Registrar shall issue a certificate under his hand and seal of office that the company is incorporated with effect from the date of the registration of the memorandum of association and, in the case of a limited company, that the company is limited.

(2) From the date of incorporation, the subscribers of the memorandum of association, together with such other persons as may from time to time become members of the company, shall be a body corporate by the name contained in the memorandum of association capable forthwith of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, and having perpetual succession and a common seal with power to hold lands but with such liability on the part of the members to contribute to the assets of the company in the event of its being wound up as is provided in this Law.

(3) A certificate of incorporation of a company issued under this Law shall be conclusive evidence that compliance has been made with all the requirements of this Law in respect of incorporation and registration.

(4) Every copy of a memorandum or articles of association filed and registered in accordance with this Law or any extract therefrom certified under the hand and seal of office of the

Registrar as a true copy shall be received in evidence in any court of the Islands without further proof.

Lack of capacity or powers; ultra vires.

27. (1) No act of a company and no disposition of real or personal property to or by a company shall be invalid by reason only of the fact that the company was without capacity or power to perform the act or to dispose of or receive the property, but the lack of capacity or power may be asserted –

- (i) in proceedings by a member or a director against the company to prohibit the performance of any act, or the disposition of real or personal property by or to the company;
- (ii) in proceedings by the company, whether acting directly or through a liquidator or other legal representative or through members of the company in a representative capacity, against the incumbent or former officers or directors of the company for loss or damage through their unauthorized act.

(2) This section applies to companies incorporated prior to the date of commencement of the Companies (Amendment) Law, 1987.”.

Substitution of s. 32.

6. Section 32 of the principal Law is substituted by the following –

“Share premiums account.

32. (1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of value of the premiums on those shares shall be transferred to an account called “the share premium account”, and the provisions of this Law relating to the reduction of the share capital of a company shall, except as provided in this section, apply as if the share premium account were paid up share capital of the company.

(2) The share premium account may, notwithstanding anything in subsection (1), be applied by the company in paying up unissued shares of the company to be issued to members as fully paid bonus shares, in writing off -

- (a) the preliminary expenses of the company; or
- (b) the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company,

or in providing for the premium payable on redemption of any shares or of any debenture of the company.

(3) Where a company has before the date of commencement of the Companies (Amendment) Law, 1987 issued any shares at a premium, this section shall apply as if the shares had been issued after such date.

(4) At the option of the company, the provisions of subsection (1) shall not apply to premiums on shares of a company allotted in pursuance of any arrangement in consideration for the acquisition or cancellation of shares in any other company, whether a company within the meaning of this Law or not, and issued at a premium.

(5) At the option of the company, an amount corresponding to any amount representing the premiums or part of the premiums on shares issued by a company which by virtue of subsection (4) is not included in such company's share premium account may also be disregarded in determining the amount at which any shares or other consideration provided for the shares issued is to be included in such company's balance sheet.

(6) For the purposes of subsection (4), "arrangement" means any agreement, scheme or arrangement, whether of reconstruction, merger, takeover, acquisition, purchase or otherwise whereby the allotting company acquires a controlling interest in the company

whose shares it acquires or cancels.

(7) The relief allowed by subsections (4) and (5) shall apply even if the issue of shares took place prior to the date of commencement of the Companies (Amendment) Law, 1987."

Substitution of s. 34

7. Section 34 of the principal law is substituted by the following -

"Redemption and
purchase of shares.

34. (1) Subject to the provisions of this section, a company limited by shares or limited by guarantee and having a share capital may, if authorised to do so by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or the shareholder.

(2) Subject to the provisions of this section, a company limited by shares or limited by guarantee and having a share capital may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares.

(3) (a) No share may be redeemed or purchased unless it is fully paid.

(b) A company may not redeem or purchase any of its shares if as a result of the redemption or purchase there would no longer be any other member of the company holding shares.

(c) Redemption of shares may be affected in such manner as may be authorised by or pursuant to the company's articles of association.

(d) If the article of association do not authorise the manner of purchase, a company shall not purchase any of its own shares unless the manner of purchase has first been authorized by the company in general meeting.

(e) The premium (if any) payable on redemption or purchase must have been provided for out of the profits of the company or out of the company's shares premium account before or at the time the shares are redeemed or purchased.

(f) Subject to the provisions of subsection (5), shares may only be redeemed or purchased out of profits of the company or out of the proceeds of a fresh issue of shares made for the purposes of the redemption or purchase.

(g) Shares redeemed or purchased under this section shall be treated as cancelled on redemption or purchase, and the amount of the company's issued share capital shall be diminished by the nominal value of those shares accordingly; but the redemption or purchase of shares by a company is not to be taken as reducing the amount of the company's authorised share capital.

(h) Without prejudice to paragraph (g), where a company is about to redeem or purchase shares, it has power to issue shares up to nominal value of the shares to be redeemed or purchased as if those shares had never been issued:

Provided that where new shares are issued before the redemption or purchase of the old shares the new shares shall not, so far as relates to fees payable on or accompanying the filing of any return or list, be deemed to have been issued in pursuance of this subsection if the old shares are redeemed or purchased within one month after the issue of the new shares.

(4) (a) Where under this section shares of a company are redeemed or purchased wholly out of the company's profits, the amount by which the company's issued share capital is diminished in accordance with paragraph (g) of subsection (3) on cancellation of the shares redeemed or purchased shall be transferred to a reserve called "the capital redemption reserve".

(b) If the shares are redeemed or purchased wholly or partly out of the proceeds of a fresh issue and the aggregate amount of those proceeds is less than the aggregate nominal value of the shares redeemed or purchased, the amount of the difference shall be transferred to the capital redemption reserve.

(c) Paragraph (b) does not apply if the

proceeds of the fresh issue are applied by the company in making a redemption or purchase of its own shares in addition to a payment out of capital under subsection (5).

(d) The provisions of this Law relating to the reduction of a company's share capital apply as if the capital redemption reserve were paid-up share capital of the company, except that the reserve may be applied by the company in paying up its unissued shares to be allotted to members of the company as fully paid bonus shares.

(5) (a) Subject to the provisions of this section, a company limited by shares or limited by guarantee and having a share capital may, if so authorised by its articles of association, make a payment in respect of the redemption or purchase of its own shares otherwise than out of its profits or the proceeds of a fresh issue of shares.

(b) Reference in the succeeding provisions of this subsection to payment out of capital are, subject to paragraph (f) to any payment so made, whether or not it would be regarded apart from this subsection as a payment out of capital.

(c) The amount of any payment may be made by a company out of capital in respect of the redemption or purchase of its own shares is such an amount as, taken together with -

- (i) any available profits of the company are being applied for the purposes of the redemption or purchase; and
- (ii) the proceeds of any fresh issue of shares made for the purpose of the redemption or purchase,

is equal to the price of redemption or purchase, and the payment out of capital permitted under this paragraph is referred to in the succeeding provisions of this subsection as the capital payment for the shares. Nothing in this paragraph shall be taken to imply that a

company shall be obliged to exhaust any available profits before making any capital payment.

(d) Subject to paragraph (f), if the capital payment for shares redeemed or purchased and cancelled is less than their normal amount, the amount of the difference shall be transferred to the company's capital redemption reserve.

(e) Subject to paragraph (f), if the capital payment is greater than the nominal amount of the shares redeemed or purchased and cancelled the amount of any capital redemption reserve, share premium account or fully paid share capital of the company may be reduced by a sum not exceeding, or by sums not in the aggregate exceeding, the amount by which the capital payment exceeds the nominal amount of the shares.

(f) Where the proceeds of a fresh issue are applied by a company in making any redemption or purchase of its own shares in addition to a payment out of capital under this subsection, the references in paragraphs (d) and (e) to the capital payment are to be read as referring to the aggregate of that payment and those proceeds.

(6) (a) A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment out of capital is proposed to be made the company shall be able to pay its debts as they fall due in the ordinary course of business.

(b) The company and any director or manager of the company who knowingly and wilfully authorises or permits any payment out of capital to effect any redemption or purchase of any share in contravention of the foregoing provision shall be guilty of an offence and liable on summary conviction to a fine not exceeding fifteen thousand dollars or to a term of imprisonment not exceeding five years or to both such fine and imprisonment.

(7) (a) Where a company is being wound up and at the commencement of the winding up any of its shares which are or are liable to be redeemed have not been redeemed or which the company has agreed to purchase have not been purchased, then subject to the following provisions of this subsection the terms of redemption or purchase may be enforced against the company; and when shares are redeemed or purchased under this subsection they shall be treated as cancelled:

Provided that this paragraph shall not apply if -

- (i) the terms of redemption or purchase provided for the redemption or purchase to take place at a date later than the date of the commencement of the winding up; or
- (ii) during the period beginning with the date on which the redemption or purchase was to have taken place and ending with the commencement of the winding up the company could not at any time have lawfully made a distribution equal in value to the price at which the shares were to have been redeemed or purchased.

(b) There shall be paid in priority to any amount which the company is liable by virtue of paragraph (a) to pay in respect of any shares -

- (i) all other debts and liabilities of the company (other than any due to members in their character as such); and
- (ii) if other shares carry rights whether as to capital or as to income which are preferred to the rights as to capital attaching to the first mentioned shares, any amount due in

satisfaction of those preferred rights,

but, subject to that, any such amount shall be paid in priority to any amounts due to members in satisfaction of their rights (whether as to capital or income) as members.

(8) (a) Any redeemable preference shares issued by a company before the date of commencement of the Companies (Amendment) Law, 1987 are subject to redemption in accordance with the provisions of this section.

(b) Any capital redemption reserve fund established by a company before the date of commencement of the Companies (Amendment) Law, 1987 is to be known as the company's capital redemption reserve and be treated as if it had been established for the purposes of subsection (4); and accordingly, a reference in any Law, the articles of association of any company or any other instrument to a company's capital redemption reserve fund is to be construed as a reference to the company's capital redemption reserve."

Substitution of ss. 37 to 39.

8. Sections 37 to 39 (inclusive) of the principal Law are substituted by the following -

"Register of members.

37. (1) Every company shall cause to be kept in writing on one or more sheets whether bound or unbound a register of its members and there shall be entered therein -

- (a) the names and addresses of the members of the company, with the addition, in the case of a company having a capital divided into shares of a statement of the shares held by each member, distinguishing each share by its number (so long as the share has a number), and of the amount paid, or agreed to be considered as paid, on the shares of each member;

- (b) the date at which the name of any person was entered on register as a member; and
- (c) the date on which any person ceased to be a member:

Provided that in the case of shares of an exempted company issued to bearer there shall only be entered in the register particulars of the date of issue of the share or shares, distinguishing each share by its number (so long as the share has a number) and the fact that a certificate in respect thereof was issued to bearer.

(2) Any company making default in complying with this section shall incur a penalty of ten dollars for every day during which the default continues; and every director or manager of the company who knowingly and wilfully authorises or permits such contravention shall incur the like penalty.

Annual list, members and return of capital shares, calls, etc.

38. (1) Every company, other than an exempted company, having a capital divided into shares shall make a list of all persons who, on the fourteenth day following the date on which the ordinary general meeting, or if there is more than one ordinary general meeting in each year, the first of such ordinary general meetings, is held, are members of the company; and such lists shall state the names and addresses of all the members therein mentioned, and the number of shares held by each of them, and shall contain a summary specifying -

- (a) the amount of the capital of the company and the number of shares into which it is divided;
- (b) the number of shares taken from the commencement of the company up to the date of the summary;
- (c) the amount of calls made on each share;

- (d) the total amount of calls received;
- (e) the total amount of calls unpaid;
- (f) the total number of shares forfeited;
- (g) the names and addresses of the persons who have ceased to be members since the last list was made, and the number of shares held by each of them.

This list and summary shall be contained in a separate part of the register of the company and shall be completed within seven day after such fourteenth day as is mentioned in this section, and a copy shall be forwarded to the Registrar in January of each year after the year of its incorporation.

(2) Every company, other than an exempted company, shall in January of each year after the year of its registration pay to the revenues of the Islands an annual fee –

- (a) in the case of a non-resident company, of two hundred and fifty dollars plus a further fee equivalent to one-fortieth of one per centum of the amount by which the value of the registered capital of the company exceeds eight hundred thousand dollars but does not exceed two million, four hundred thousand dollars; and
- (b) in the case of any other company, of one hundred dollars plus a further fee of one-fortieth of one per centum of the amount by which the values of the registered capital of the company exceeds three hundred thousand dollars but does not exceed two million, four hundred thousand dollars.

(3) Each such annual fee shall be tendered with any list and summary required under subsection (1). A company which has failed to forward to the Registrar any copy required to be forwarded in any January shall be deemed not to have made any default in complying with the provisions of this section relating to the time within which such copy is required to be forwarded if the company forwards the copy either -

- (a) within such further period, if any, as the Registrar, acting in his discretion, may by notice addressed to the company specify; or
- (b) within the period of twelve months next following such month of January,

whichever be the shorter, together with, in addition to the appropriate fee payable under the foregoing provisions of this section, a late filing fee of one dollar for each day after the last day of such month of January during which no such copy has been forwarded.

Penalty on company
not making return.

39. If any company, not being an exempted company, makes default in complying with the provisions of this Law with respect to forwarding such lists of members or summary of the payment of any fee as is hereinbefore mentioned to the Registrar, such company shall incur a penalty of ten dollars for every day during which such default continues; and every director and manager of the company who knowingly and wilfully authorises or permits such default shall incur the like penalty."

Substitution of s. 41.

9. Section 41 of the principal Law is substituted by the following -

"Inspection of
register.

41. The register of members, commencing from the date of the registration of the company, shall be kept at the registered office of the company hereinafter mentioned or, in the case of an exempted company, at any other place within or without the Islands.

Except in the case of an exempted company and when closed as hereinafter provided it shall during business hours, subject to such reasonable restrictions as the company in general meeting may impose, so that no less than two hours in each day be appointed for inspection, be open to the inspection of any member gratis and to the inspection of any other person on the payment of ten dollars or such less sum as the company may specify for each inspection; and every such member or other person may receive a copy of such register or any part thereof, or of such list or summary of members as is hereinbefore provided, on payment of one dollar for every page required to be copied. If such inspection or copy is refused, the company shall incur for each refusal a penalty of four dollars and a further penalty of four dollars for every day during which such refusal continues; and every director and manager of the company who knowingly authorises or permits such refusal shall incur the like penalty; and in addition to the above penalty, the Judge sitting in chambers may by order compel an immediate inspection of the register.”.

Substitution of s. 52.

10. Section 52 of the principal Law is substituted by the following –

“List of directors to be sent to Registrar.

52. Every company shall keep at its registered office a register containing the names and addresses of its directors and officers, and shall send to the Registrar a copy of such register, and shall within thirty days notify the Registrar of any change that takes place in such directors or officers.”.

Substitution of s. 55.

11. Section 55 of the principal Law is substituted by the following –

“General meetings.

55. A general meeting of every company, other than an exempted company, shall be held at least once in every year.”.

Substitution of Part VII.

12. Part VII of the principal Law is substituted by the following –

"PART VII - EXEMPTED COMPANIES

What companies may apply to be registered as exempted companies.

179. Any proposed company applying for registration under this Law the objects of which are to be carried out mainly outside the Islands may apply to be registered as an exempted company.

Registration of exempted companies.

180. On being satisfied that the provisions of section 181 have been complied with, the Registrar shall register the company as an exempted company.

Declaration by proposed company.

181. A proposed exempted company applying for registration as an exempted company shall submit to the Registrar a declaration signed by a proposed director to the effect that the operation of the proposed exempted company will be conducted mainly outside the Islands.

Shares may be non-negotiable or negotiable.

182. The shares of an exempted company may be either non-negotiable, in which case they shall be transferred only on the books of the company, or they may be negotiable or in bearer form:

Provided that no share shall be issued as negotiable or in bearer form unless the same shall be fully paid and non-assessable.

Negotiable shares may be exchanged.

183. Negotiable or bearer shares may be exchanged for non-negotiable shares and vice versa.

Annual return.

184. In January of each year after the year of its registration each exempted company shall furnish to the Registrar a return which shall be in the form of a declaration that -

- (a) since the previous return or since registration, as the case may be, there has been no alteration in the memorandum of association, other than an alteration in the name of the company effected in accordance with section 30 or an alteration already reported in accordance with section 9;

- (b) the operations of the exempted company since the last return or since registration of the exempted company, as the case may be, have been mainly outside the Islands; and
- (c) the provisions of section 190 have been and are being complied with.

Annual fee.

185. Every exempted company shall pay to the revenues of the Islands an annual fee of four hundred and seventy-five dollars plus a further fee equivalent to one-twentieth of one per centum of the amount by which the value of the registered capital exceeds seven hundred and fifty thousand dollars but does not exceed two million, four hundred thousand dollars. Each such annual fee shall be tendered with the return required by section 184.

Failure to comply with s.184 or 185.

186. Any exempted company which fails to comply with the provisions of sections 184 or 185 shall be deemed to be a defunct company, and shall thereupon be dealt with as such in accordance with the provisions of Part VI, but without prejudice to its being registered again as though it were being registered for the first time.

Registrar to give notice.

187. Before taking action under section 186, the Registrar shall give one month's notice to the defaulting company, and if the default is made good before the expiry of such notice the provisions of sections 184 and 185 shall be deemed to have been complied with.

False statement in declaration.

188. If any declaration under section 181 or section 184 contains any wilful false statement or misrepresentation the company shall on proof thereof be liable to be immediately dissolved and removed from the register, and in such case any fee tendered under sections 25 or 185 shall be forfeited to the Financial Secretary of the Islands for the credit to the general revenue of the Islands.

Penalty for false declaration.

189 Every director and office of a company who knowingly makes or permits the making of any such declaration knowing it to be false shall be

guilty of an offence and liable on summary conviction to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding three months or to both such fine and imprisonment.

Prohibited enterprises

190. An exempted company shall not trade in the Islands with any person except in furtherance of the business of the exempted company effecting and concluding contracts in the Islands, and exercising in the Islands all of its powers necessary for the carrying on of its business outside the Islands.

Board to hold meeting.

191. The board of directors of every exempted company shall hold at least one meeting in the Islands in each calendar year.

Prohibited sale of securities.

192. An exempted company is prohibited from making any invitation to the public in the Islands to subscribe for any of its shares or debentures.

Penalty for carrying on business contrary to Part VIII.

193. If an exempted company carries on any business in the Islands in contravention of the provisions of this Part, then, without prejudice to any other proceedings that may be taken in respect of the contravention, the exempted company, and every director, provisional director and officer of the exempted company who is responsible for the contravention shall be guilty of an offence and liable on summary conviction to a fine not exceeding one hundred dollars for every day during which the contravention occurs or continues and the exempted company shall be liable to be immediately dissolved and removed from the Register.”.

Passed the Legislative Assembly this 17th day of November, 1987.

ALAN SCOTT
President.

GEORGETTE MYRIE
Clerk of the Legislative Assembly.