



PRACTICE DIRECTION No.1 – 2011

Concerning procedures and fees for International Business Companies (IBCs), International Societies with Restricted Liability (ISRLs), and International Trusts

In preparation for the 2014 licence renewal period, the International Business Division (IBD) wishes to remind service providers of the guidelines to be followed in order to facilitate efficient processing.

I. Initial Applications

1. A cover letter indicating the name and contact number of the proposed licensee should accompany the application for an IBC, ISRL or International Trust ([..\..\Application forms\IBC Application form.pdf](#), [..\..\Application forms\ISRL Application form.pdf](#) or [..\..\Application forms\Registration form International Trusts.doc](#)). This cover letter should also indicate the details of the service provider.
2. In all cases where the service provider is making a first time application the cover letter should be accompanied by the following information: due diligence and compliance procedures including acceptance procedures and know your customer policies (KYC) which were used in determining the acceptability of the prospective applicant for consideration for IBC, ISRL licensing or International Trust registration.
3. Proof of application for incorporation in respect of an IBC or organisation in the case of an ISRL with the Corporate Affairs and Intellectual Property Office (CAIPO) must be submitted with the cover letter and application for licensing.
4. Once the application satisfies the requirements of the IBC Act, SRL Act and the International Trusts Act, the appropriate licence/ registration document will be issued. There will be no need for prospective licensees to follow-up their initial application with the incorporation/organisation number, certificate nor the articles of incorporation/organisation as the IBD will obtain this information directly from CAIPO once it is approved. No licence application will be granted without the approval of residency of the prospective licensee by CAIPO.
5. No advance payments will be accepted by the IBD in respect of IBC, ISRL licences or International Trust registration. Payment will be due only upon approval of the relevant application. All cheques submitted with the applicant forms will be returned.
6. Service providers will recall that the International Business (Miscellaneous Provisions) (No.2) Act, 2007-26 which came into effect on August 16, 2007 made

provision for an increase in fees. The fee for IBCs and ISRLs is \$850.00. Payment must be made by cheque to the (International Business Division), Ministry of Industry, International Business, Commerce and Small Business Development, drawn on a local bank account. In the case of International Trusts the fee is \$1100.00. Payment must be made by cheque to the (International Business Division), Ministry of Industry, International Business, Commerce and Small Business Development, drawn on a local bank account. No exceptions in this regard will be entertained.

II. Renewals

7. All applications for renewals of IBCs and ISRLs must be accompanied by a cover letter indicating the name and contact number of the proposed licensee and the name and contact details of the service provider. **In cases where the prospective licensee has changed service providers a letter signed by an official of the prospective licensee indicating that the new service provider is authorised to make the application on its behalf must accompany the renewal application if this has not been submitted before.**

8. Once the application satisfies the requirements of the relevant Act the service provider will be informed. Certified copies or facsimiles of the licences will not be provided until the fee has been paid in full.

9. No advance payments will be accepted by the IBD in respect of IBC or ISRL renewal applications. Payment will be due only upon approval of the renewal application. All cheques submitted with the application forms will be returned.

10. Renewal applications received by the IBD after the close of business on the 31st day of December of the year prior to the year for which renewal is sought will be treated as application for a 'late' renewal and if granted will attract a penalty equal in amount to the prescribed fee for late renewal. Late applications will only be accepted by the IBD in respect of applications received by the close of business on the 31st day of January in the year for which the renewal is sought.

11. Service providers will recall that the International Business (Miscellaneous Provisions) (No.2) Act, 2007-26 which came into effect on August 16, 2007 made provision for an increase in fees. The fee for IBC and ISRL renewal applications is \$850.00. In the case of a late application for IBCs and ISRLs the fee is \$1000 and the penalty is also \$1000. Payment must be made by cheque to the (International Business Division), Ministry of Industry, International Business, Commerce and Small Business Development, drawn on a local bank account. No exceptions in this regard will be entertained.

III. Reinstatements

12. If a company, IBC or ISRL does not renew its licence by January 31, it is considered not to be licensed and may apply for re-instatement.

13. Applications for the reinstatement of a licensee may be submitted up to five (5) years from the date of the last renewal of the original licence. In circumstances where a period of more than five years has elapsed reinstatement of the licensee will not be permitted. In such a case the licensee must apply for a new licence.

14. All reinstatement applications of IBC and ISRL licence holders must be accompanied by a cover letter indicating the name and contact number of the proposed licensee and service provider. In cases where the prospective licensee has changed service provider a letter signed by an official of the prospective licensee indicating that the new service provider is authorised to make the application on its behalf must accompany the renewal application if this has not been submitted before.

15. Once the application satisfies the requirements of the relevant Act the service provider will be informed. Certified copies or facsimiles of the licences will not be provided until the fee has been paid in full.

16. No advance payments will be accepted by the IBD in respect of IBC and ISRL reinstatement applications. Payment will be due only upon approval of the application. All cheques submitted with the applicant forms will be returned.

17. The fee for IBC and ISRL licensee reinstatements is \$2,100.00. Payment must be made by cheque to the (International Business Division), Ministry of Industry, International Business, Commerce and Small Business Development, drawn on a local bank account. No exceptions in this regard will be entertained.

IV. Completion of Forms

18. Service providers are asked to pay particular attention to the “Notes on Completion” Section of the Forms and the documents required to be submitted.

19. Service providers are reminded that correctly and fully completed application forms would facilitate quicker turnaround in the processing of new applications and the issuing of licence renewals.

20. Incomplete applications including the absence of required supporting documentation will be returned by the IBD to the service provider. Incomplete applications also refer to applications in which questions have remained unanswered or where N/A is inserted without a reasonable explanation. These applications will also be returned to the service provider.

21. Service providers are reminded that they should notify the Ministry of any “material change” made to the original application particularly as it relates to shareholders, directors, ultimate beneficial shareholders, and type of business activity. In order for Barbados to maintain its reputation as a reputable,

transparent international business centre, it is important that this information be updated where necessary.

22. With regard to questions 13-14 of the renewal form, please provide the expenditure for the 2012 January to December period.

23. In addition to reviewing the information provided to determine whether a new licence or a renewal should be issued, the information is required to assist the Ministry in determining the sector's contribution to the economy. This is also important in facilitating future planning for the sector. Please note that this information is treated as confidential.

V. Certified Copies

24. Certified copies of licences, certificates, renewals and reinstatements in respect of IBCs, ISRLs and International Trusts will be provided by the IBD upon payment of \$75.00 per copy. Payment must be made by cheque made to the (International Business Division), Ministry of Industry, International Business, Commerce and Small Business Development, drawn on a local bank account. No exceptions in this regard will be entertained.

25. Certified copies of these documents will only be issued to the holder of the relevant licence/registration document or its authorised service provider. No exceptions in this regard will be entertained.

We look forward to your cooperation in order that we can better facilitate you while striving to keep our commitments in the International Business Charter.

Permanent Secretary
International Business Division
Ministry of Industry, International Business, Commerce and Small Business
Development
April 3, 2014

*Questions or queries concerning this Practice Direction should be directed to the International Business Division, Ministry of Industry, International Business, Commerce and Small Business Development
Attn: Kaeron Venner, Director at (246) 625-2226 or by e-mail : kaeron_venner@barbadosbusiness.gov.bb*

Please note also that application and renewal forms for IBCs, ISRLs and International Trusts can be downloaded from www.caipo.gov.bb. The Division can also email blank forms on request.