

## • COMPANY LAW KEY POINTS FOR DIRECTORS

### INTRODUCTION

#### In force

The new Company Law came into force on 1 July 2008.

#### The Registrar

The office of the Registrar is situated in the market building in Fountain Street.

#### Purpose

The purpose of this briefing note is to further update directors on the introduction of the new Company Law and the practical steps they may need to take before certain deadlines.

### DIRECTORS

#### Action for Directors

All directors must register at the Company Registry. Directors have been able to register since 1 July 2008.

A form is available on the Company Registration website [www.guernseyregistry.com](http://www.guernseyregistry.com)

Registration can be completed by an individual director who must attend the Company Registry personally with formal identification such as a passport, driving licence or other photographic identification, (non-resident individuals can submit these documents by post, provided that the documents are duly certified in accordance with the Registry's guidelines). Alternatively, application can be made by a licensed corporate service provider who, depending on the current arrangements with its clients, will probably charge a fee.

A director once registered may apply for a unique PIN number, which will facilitate the on-line submission of documents to the Registry.

Unless a director has a PIN number he will be unable to undertake actions online in relation to a company of which he is a director and all filings will have to be made manually. (see Re-Registration of Companies below).

The deadline for registration is the 30 November 2008.

#### Director Eligibility

##### New Companies

A person cannot be appointed a director unless he has in writing:

- consented to be a director; and
- declared that he is not ineligible (not a minor or subject to a disqualification order in Guernsey or elsewhere).

##### Companies incorporated prior to 1 July 2008

Director eligibility requirements must be satisfied by 1 January 2009.

### COMPANIES

#### Re-Registration of Companies

All existing companies are required to re-register and the form is available on the registry website. Re-registration can be completed and presented by a director either in person or submitted electronically by using his PIN number, or by a licensed corporate service provider.

The deadline for re-registration is the 30 November 2008.

The penalty for failing to re-register by the above date is £100 and in addition, a company will not be able to submit any further filings until the re-registration process has been completed.

### ANNUAL VALIDATION

As of January 2009 an Annual Validation, which will replace the Annual Return, will have to be submitted together with the appropriate filing fee. The Registry will publish further details of the format and filing procedures of the Annual Validation nearer the end of the year.

The fee of the annual validation will be determined by the company classification code given at the time of re-registration.

A "catch-up" fee will also be due if a company's classification code dictates that the fee payable is in excess of £260. The difference of the amount paid in filing the 2008 Annual Return will be due in addition to the 2009 Annual Validation fee.

Penalties will be charged on a daily basis on any Annual Validations received at the Registry after 31 January 2009.

### STRIKE OFF

The Registrar has published a list that is available on the website [www.guernseyregistry.com](http://www.guernseyregistry.com) and in the Registry's offices that

lists all of the companies that, unless cause is shown to the contrary, will be struck from the Register of Companies on the 31 December 2008.

It should be further noted that after this transitional period in which companies will be struck off the Register of Companies for the non filing of the 2008 Annual Return, under the 2008 Law a failure to file an Annual Validation is an offence and that this may be grounds for bringing an action before the Court for a disqualification order against the directors of a company.

**REGISTERS AND OFFICERS**

Subject to certain exceptions, a Guernsey company must appoint a resident agent who must keep a record of beneficial owners of the company. The resident agent must be either a Guernsey resident individual director or a licensed corporate service provider.

A company must have a register of secretaries. Existing companies do not need to have this before 1 January 2009, although the requirement is hardly onerous.

The Registrar must be notified of any changes to the register otherwise a penalty may be incurred.

**CONCLUSION**

Our Corporate team are available to discuss the points raised in this briefing note.

**FOR MORE INFORMATION,  
PLEASE CONTACT:****IAN KIRK****PARTNER****t: +44 (0)1481 734247****e: [ian.kirk@collascrill.com](mailto:ian.kirk@collascrill.com)****SEAN CHEONG****PARTNER****t: +44 (0)1481 734202****e: [sean.cheong@collascrill.com](mailto:sean.cheong@collascrill.com)****Collas Crill Guernsey**

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Gategny Court, PO Box 140,  
Gategny Esplanade, St Peter Port,  
Guernsey, GY1 4EW

**t: +44 (0) 1481 723191****f: +44 (0) 1481 711880****e: [guernsey@collascrill.com](mailto:guernsey@collascrill.com)****w: [www.collascrill.com](http://www.collascrill.com)**