

LIQUIDATION OF AN INTERNATIONAL BUSINESS COMPANY (IBC)

The members or the directors of the Company as required by the Articles of Association must resolve by Resolution that the affairs of the Company should be wound-up, that a particular person be appointed the Liquidator for the purpose of such winding-up, that the proposed plan of dissolution and the execution of the Articles of Dissolution be approved.

The Articles of Dissolution, once executed, are submitted to the Registrar General for registration. The date of registration of the Articles of Dissolution is the date of the commencement of the winding-up and dissolution, unless the Articles of Dissolution provide for a later date, which shall be within 30 days of registration.

The Liquidator may then commence the business of winding-up the Company's affairs. This he does by taking charge of the bank accounts, gathering the assets of the Company, paying its debts and then distributing the assets amongst the members in accordance with the Articles of Dissolution. Although the IBC Act does not require it, we recommend that the Liquidator advertise for Creditors during the course of winding-up the affairs of the Company.

The Company is required to publish a Notice of the dissolution in the Gazette within 30 days of the registration of the Articles of Dissolution.

As soon as the Liquidator has completed the winding-up of the Company, he prepares a statement of account in respect of the actions and transactions of the Liquidator and forwards a copy to each member, if so required by the plan of dissolution.

The Liquidator is also required under section 138(6) to submit to the Registrar a statement that the winding-up and dissolution has been completed. The Registrar, upon receipt of the Notice, shall strike the Company off the Register and issue a Certificate of Dissolution certifying that the Company has been dissolved. The date of the dissolution is the date of the Certificate.

Immediately following the issue by the Registrar of the Certificate of Dissolution, the Liquidator shall publish in the Gazette and in a publication of general circulation in the country or place where the Company has its principal office, a notice that the Company has been dissolved and has been struck off the Register.

The time frame involved is governed by the following conditions:

1. The Company's Articles of Association usually provide that a Notice shall be given, but if all members or directors consent to the meeting without Notice, this requirement can be waived;

2. There follows the time required for the Liquidator to carry out the business of winding-up the affairs of the Company. This will vary greatly according to the amount of work involved, but in simple cases, it can usually be accomplished in a matter of approximately four weeks;
3. The Company ceases to exist on the date the Registrar issues the Certificate of Dissolution.

The approximate total cost of liquidation will be as follows:

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| (a) Liquidator's fee: | |
| Very simple liquidation | B \$ 700.00 |
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| (b) For more complicated liquidations the fees in excess of the minimum will be based on time spent, complexity, and responsibility. | |
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| Our fee for preparing the necessary Articles of Dissolution, Minutes and Notices etc. | B\$1,500.00 |
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| Approximate total advertising fee | <u>B\$400.00</u> |
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| Approximate total Liquidation costs | B\$2,600.00 |
| | <u>or US\$2,613.07</u>) |

We require payment in advance of the estimated total liquidation costs. Just before completion of the winding up of the company, a statement will be provided showing funds (if any) held on account. Please forward the said sum B\$2,600.00 by way of [bank wire transfer](#).