

Company law comparison guide

Service area / [Corporate](#)

Location / [Group](#)

Date / [October 2016](#)

Basics

Companies legislation

BVI	The BVI Business Companies Act, as amended (BCA).
Cayman	The Companies Law (2013 Revision), as amended (CCL).
Guernsey	The Companies (Guernsey) Law, 2008, as amended (CGL).
Jersey	The Companies (Jersey) Law 1991, as amended (CJL).

Types of company available

BVI	<p>A British Virgin Islands company (BVIco) can be:</p> <ul style="list-style-type: none"> • limited by shares (having a par value or no par value); • a guarantee company; • an unlimited company; • a restricted purpose company; or • a segregated portfolio company (See page 9 - Transfer of shares).
Cayman	<p>A Cayman Islands company (Cayco) can be:</p> <ul style="list-style-type: none"> • limited by shares (having a par value or no par value); • a guarantee company; • unlimited company; • a segregated portfolio company (See page 9 - Transfer of shares); or • a limited duration company (30 years or less).
Guernsey	<p>A Guernsey company (Gco) can be:</p> <ul style="list-style-type: none"> • limited by shares (having a par value or no par value); • a guarantee company; • an unlimited company; • a mixed liability company; or • a cell company (See page 9 - Transfer of shares).

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Types of company available

Jersey	A Jersey company (Jco) can be: <ul style="list-style-type: none">• limited by shares (having a par value or no par value);• a guarantee company;• an unlimited company;• a limited life company (limited by time or the occurrence of specified events); or• a cell company (See page 9 – Transfer of shares).
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Public/private companies

BVI	The BCA does not distinguish between private and public companies.
Cayman	The CCL does not distinguish between private and public companies.
Guernsey	The CGL does not distinguish between public and private companies.
Jersey	A Jco can be either a private company or a public company.

Share buybacks/redemptions

BVI	Permitted if permitted by the Memorandum and Articles. Buybacks or redemptions may be made: (i) in accordance with the provisions/procedures set out in the Memorandum and Articles with the consent of the affected shareholders; (ii) by an offer to all shareholders which would leave relative voting and distribution rights unaffected or which affords each shareholder a reasonable opportunity to accept the offer; or (iii) by an offer to one or more shareholders to which all shareholders have consented in writing or is permitted by the Memorandum and Articles and for which director resolutions have been passed confirming that the buyback or redemption is for the benefit of the remaining shareholders and the terms of the offer (including the consideration) are fair and reasonable to the BVIco and the remaining shareholders. Buybacks and redemptions must satisfy the solvency test immediately after the buyback or redemption.
Cayman	Permitted if permitted by the Articles. Redemptions and repurchases are subject to satisfying the solvency test.
Guernsey	Permitted if permitted by the Articles. Buybacks need to be approved by the Gco's shareholders. Buybacks and redemptions must satisfy the solvency test immediately after the redemption or buyback.
Jersey	Permitted and, for redemptions, if permitted by the Articles. Buybacks and redemptions require a cash flow solvency statement from the directors which provides that immediately following the buyback/redemption, Jco will be able to discharge its liabilities as they fall due and that Jco will be able to discharge its liabilities as they fall due until the expiry of 12 months immediately following the date on which the buyback/redemption is proposed to be made. For open ended investment companies this requires a solvency statement from the directors which provides that immediately after the buyback/redemption, Jco will be able to discharge its liabilities as they fall due.

Migrations

BVI	It is possible to migrate BVIcos to other jurisdictions and vice versa.
Cayman	It is possible to migrate Caycos to other jurisdictions and vice versa.
Guernsey	It is possible to migrate Gcos to other jurisdictions and vice versa.
Jersey	It is possible to migrate Jcos to other jurisdictions and vice versa.

Mergers

BVI	Permitted.
Cayman	Permitted (other than cell companies or cells).
Guernsey	Permitted (including cell companies).
Jersey	Permitted (other than cell companies or cells).

Continued

Capital requirement

BVI	None.
Cayman	None.
Guernsey	None.
Jersey	None.

Currency of shares

BVI	Any currency.
Cayman	Any currency.
Guernsey	Any currency.
Jersey	Any currency.

Schemes of arrangement

BVI	Permitted between BVIco and its creditors or members (or any class of either of them). Must be approved by a majority in number and 75% in value of the creditors (or class of creditors) or members (or class or members) sanctioned by the court and registered with the BVI registry. Plans of arrangement (equivalent to those under US corporate law. e.g. Delaware) are also permitted which must be approved by the directors and the court (who will determine what, if any, notice, approval or dissent rights will apply) and registered with the BVI registry.
Cayman	Permitted between Cayco and its creditors or shareholders (or a class of either of them). Must be approved by a majority in number and 75% in value of those voting in respect of each relevant class of creditors and/or shareholders, and sanctioned by the court.
Guernsey	Permitted between Gco and its creditors or shareholders (or a class of either of them). Must be approved by a majority in number and 75% in value of those voting in respect of each relevant class of creditors and/or shareholders, and sanctioned by the court.
Jersey	Permitted between Jco and its creditors or shareholders (or a class of either of them). Must be approved by a majority in number and 75% in value of the creditors (or class of creditors) or a majority in number and 75% of the voting rights of the shareholders (or class of shareholders) and sanctioned by the court.

Financial assistance

BVI	Permitted.
Cayman	Permitted.
Guernsey	Permitted.
Jersey	Permitted.

Formation

Timing

BVI	Same day with the certificate of incorporation and return of the stamped Memorandum and Articles issued within 3-5 days. There is no 'fast track' procedure for the return of incorporation documents.
Cayman	The incorporation date is the date of filing. The certificate of incorporation and the Memorandum and Articles are returned within 48 hours or within 1 day (express).

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Timing

Guernsey	24 hours for a 'standard' incorporation; two hours for a 'rapid' incorporation and 15 minutes for a 'special' incorporation. A Gco is incorporated on the date of issue of the certificate of incorporation.
Jersey	Same day for a 'fast track' incorporation or otherwise next day, provided the name has been approved. A Jco is incorporated on the date of issue of the certificate of incorporation.

Fee

BVI	US\$350 for companies authorised to issue up to a maximum of 50,000 shares and US\$1,100 for companies authorised to issue more than 50,000 shares.
Cayman	Based on authorised share capital, approximately as follows: Up to US\$50k = \$734 US\$50k to \$1m = \$1,100 US\$1m to \$2m = \$2,300 Over US\$2m = \$3,012 US\$488 for express service.
Guernsey	£100 for 'standard' process, £350 for 'rapid' process or £750 for 'special' process regardless of proposed share capital.
Jersey	Incorporation fee is £200 and an additional £200 for 'fast track' incorporation regardless of proposed share capital.

Anti-money laundering (AML)/ Know your client (KYC)

BVI	Compliance primarily falls on regulated BVI service providers. KYC checks are performed on beneficial owners of more than 10%. Rules are adjusted for listed, large public and certain regulated companies.
Cayman	Corporate service providers are required to perform KYC on the person(s) seeking to incorporate and control the Cayco. Abridged due diligence may be possible if the Cayco is controlled by a person regulated in a jurisdiction included in the anti-money laundering regulations as having equivalent AML controls.
Guernsey	In line with UK standards. Compliance primarily falls on regulated Guernsey service providers. KYC documents are required for beneficial owners holding 25% or more. Rules adjusted for listed companies.
Jersey	In line with UK standards. Compliance primarily falls on regulated Jersey service providers. KYC checks are performed on beneficial owners of more than 25%. Rules are adjusted for listed companies.

Directors

Minimum number

BVI	One director.
Cayman	No minimum.
Guernsey	One director.
Jersey	A public Jco: two directors. A private Jco: one director.

Continued

Individual/corporate directors

BVI	May be a natural person or (except regulated entity) a corporate.
Cayman	May be a natural person or a corporate entity.
Guernsey	May be a natural person or (subject to conditions) a body corporate.
Jersey	May be a natural person or (subject to conditions) a body corporate.

Residence

BVI	A director need not be resident in the BVI however BVIcos are required to appoint a registered agent resident in the BVI and approved by the regulator.
Cayman	No residency requirement for directors.
Guernsey	A director need not be resident in Guernsey. The regulator may in some cases require Guernsey resident directors as a condition of giving regulatory consent.
Jersey	A director need not be resident in Jersey. For regulated Jcos, there is a requirement for two directors to be Jersey resident.

Director duties

BVI	<p>There is statutory footing to the equitable and common law duties owed by a director.</p> <ul style="list-style-type: none">• A director must act honestly and in good faith and what he believes to be in the best interests of the BVIco.• A director must exercise power for a proper purpose.• Common law duty of care and skill.
Cayman	<p>In addition to certain statutory obligations, directors are subject to equitable and common law duties, including to:</p> <ul style="list-style-type: none">• act honestly and in good faith in the best interests of the Cayco;• exercise powers for a proper purpose;• not fetter discretion;• avoid conflicts of duty; and• exercise care, diligence and skill of a reasonably diligent person.
Guernsey	<p>Directors are subject to customary, common law and statutory duties to:</p> <ul style="list-style-type: none">• act honestly and in good faith in the best interests of the Gco;• exercise powers for a proper purpose;• not fetter discretion;• avoid conflicts of duty; and• exercise care, diligence and skill of a reasonably diligent person.
Jersey	<p>Jersey provides statutory and common law duty to:</p> <ul style="list-style-type: none">• act honestly in good faith with a view to the best interests of the company; and• exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Members

Minimum number

BVI	One member from the date of appointment of the first directors.
Cayman	<p>At least one member.</p> <p>A limited duration Cayco must have 2 members.</p>
Guernsey	One member.
Jersey	A public Jco must have two members unless it is a wholly-owned subsidiary. A private Jco may have one member.

Continued

Public information

BVI	Publicly available information is memorandum and articles as well as any register of charges, register of members or register of directors if the BVIco has elected to file these as there is no obligation to do so.
Cayman	Publicly available information is name, date of incorporation, registered number, registered office, status (i.e. active) and type of company.
Guernsey	Publicly available information is memorandum and articles, registered office, directors, resident agent (if any) and principal activities.
Jersey	Publicly available information is memorandum and articles, special resolutions, legal owners and, for public companies, directors, audited accounts and prospectus.

Bearer shares

BVI	Permissible, but must be placed with an approved or authorised custodian and therefore immobilised.
Cayman	Not permitted.
Guernsey	Not permitted.
Jersey	Not permitted.

Treasury shares

BVI	Can be held.
Cayman	Can be held.
Guernsey	Can be held.
Jersey	Can be held.

Limited liability

BVI	Yes. Similar to the UK.
Cayman	Yes. Similar to the UK.
Guernsey	Yes. Similar to the UK.
Jersey	Yes. Similar to the UK.

Resolutions

BVI	BVI law does not define 'special resolution'. The BVIco's Articles may make provisions for varying levels of the percentage of votes required to pass a resolution.
Cayman	A special resolution is required to amend the Articles, commence a voluntary liquidation and for certain other purposes. Requires a two-thirds' majority, or such higher majority required by the Articles. Can also be passed by unanimous written resolution.
Guernsey	A special resolution is required to amend the Articles, commence a summary winding up and for certain other purposes. Requires a three-quarters' majority. Can also be passed by a written resolution signed by at least 75% of the total voting rights.
Jersey	A special resolution is required to amend the Articles, commence a summary winding up and for certain other purposes. Requires a two-thirds' majority, or such higher majority required by the Articles. Can also be passed by written resolution capable of being passed by majority stipulated in Articles.

Continued

Company administration

Registered office in jurisdiction

BVI	Yes. Certain statutory books and records must be held.
Cayman	Yes. Certain statutory books and records must be held.
Guernsey	Yes. Certain statutory books and records must be held.
Jersey	Yes. Certain statutory books and records must be held.

Company secretary

BVI	Not required.
Cayman	Not required.
Guernsey	Not required.
Jersey	Required. Can be a body corporate.

Ongoing requirements

BVI	<p>AGM is not required by law.</p> <p>Annual fee of US\$350 for BVIcos authorised to issue up to a maximum of 50,000 shares and US\$1,100 for BVIcos authorised to issue more than 50,000 shares.</p>
Cayman	<p>Must pay an annual fee and file an annual return.</p> <p>The annual fee is determined by authorised share capital and is approximately as follows: Up to US\$50k = \$854 US\$50k to \$1m = \$1,220 US\$1m to \$2m = \$2,420 Over US\$2m = \$3,132</p>
Guernsey	<p>Must file an annual validation and pay £250 for non-regulated companies, £500 for financial product companies, £750 for cell companies plus £100 for each incorporated cell or £10 for each protected cell and £1000 for regulated companies.</p> <p>All Gcos must hold an AGM, unless the shareholders otherwise resolve (90% majority).</p>
Jersey	<p>All Jcos must file an annual return each year and pay an annual filing fee of £150.</p> <p>Jcos are not required to hold AGMs unless Articles specify otherwise.</p> <p>A public Jco must prepare and file annual audited accounts.</p>

Accounting requirements

Accounts

BVI	Required to maintain records and underlying documentation for at least five years, which are sufficient to show and explain the BVIco's transactions and which will, at any time, enable the financial position of the BVIco to be determined with reasonable accuracy.
Cayman	Books of account must be retained for five years.
Guernsey	Accounting records must be kept for six years.
Jersey	Books of account must be kept for 10 years.

Continued

Auditors/filing

BVI	Unless regulated, no requirement to appoint auditors or file accounts.
Cayman	Unless regulated, no requirement to appoint auditors or file accounts.
Guernsey	Unless exempt (generally small, dormant or asset-holding companies), must appoint auditors. No requirement to file accounts.
Jersey	A private Jco is not required to audit or file its accounts but a public Jco must appoint auditors and file audited accounts.

Typical regulatory consents

Issue of shares/Securities

BVI	No consent is required unless regulated.
Cayman	No consent is required unless regulated.
Guernsey	No consent is required.
Jersey	A Jco will be issued with a COBO consent as part of the incorporation process to issue shares.

Circulation of prospectus

BVI	A prospectus must be filed with the regulator in respect of any offers to the public in the BVI.
Cayman	Regulated mutual funds must file their offering document with the Cayman regulator. A Cayco is not permitted to offer its securities to the public in the Cayman Islands unless it is listed on the Cayman Stock Exchange.
Guernsey	A prospectus for registered open-ended collective investment schemes, registered closed-ended collective investment schemes or offers to the public (more than 50) of any general securities and derivatives must comply with Guernsey's Prospectus Rules. The rules do not apply to an offers to the public of general securities and derivatives listed on an exchange, in respect of a company domiciled in a IOSCO member country.
Jersey	The Jersey Registrar's consent is required to circulate a prospectus to more than 50 people. Regulatory consent is required to circulate a prospectus for a regulated fund in Jersey.

Types

BVI	Segregated portfolio companies. Prior approval is required.
Cayman	Segregated portfolio companies.
Guernsey	Protected cell company cells do not have separate legal personality. Incorporated cell company cells are separate companies with their own legal identity. Both provide for segregated assets and credit ring-fencing.
Jersey	Protected cell company cells do not have separate legal personality. Incorporated cell company cells are separate companies with their own legal identity. Both provide for segregated assets and credit ring-fencing.

Continued

Transfer of shares

Process

BVI	An instrument of transfer is required. If shares are listed on a recognised exchange they may trade and settle freely in accordance with the rules and procedures of the recognised exchange.
Cayman	Shares are transferred in accordance with the requirements of the Articles. If shares are listed on an approved stock exchange, the shares can be evidenced and transferred in accordance with the laws, rules and regulations that apply to that stock exchange.
Guernsey	In accordance with Memorandum or Articles. Shares may trade and settle freely on CREST, the London Stock Exchange paperless settlement system.
Jersey	An instrument of transfer is required. Shares may trade and settle freely on CREST, the London Stock Exchange paperless settlement system.

Pre-emption rights

BVI	Apply only when stated in the Memorandum or Articles.
Cayman	There are no statutory pre-emption rights.
Guernsey	There are no statutory pre-emption rights.
Jersey	There are no statutory pre-emption rights.

UK Takeover Code

BVI	Does not apply.
Cayman	Does not apply.
Guernsey	Does apply.
Jersey	Does apply.



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