



LIBERIA UPDATES ITS CORPORATE LEGISLATION

The Republic of Liberia recently announced significant revisions to its Business Corporation Act (BCA) and its Limited Liability Company Act (LLC Act). The purpose for the update was to more closely align the nation's laws with international standards. The revisions also sought to include more modern practices and definitions into law and to remove redundant procedures.

It is anticipated that these revisions will make the Liberian registry more “user friendly.” Key revisions include:

- The adoption of non-statutory law of Delaware law to interpret the BCA and the LLC Act.
- The elimination of the requirement for two officers’ signatures on filing documents; allowing documents to be filed outside of Liberia without notarization and apostille.
- The codification of the current process for the electronic submission of filing documents.
- The introduction of new definitions for **“beneficial owner,” “nominee,” “ultimate effective control,”** and **“ultimate ownership”** to comply with Organisation for Economic Co-operation and Development standards.
- A mandatory requirement for all entities to record information on the number of directors, management, and ownership with the Liberian International Ship & Corporate Registry (LISCR) annually.

In a letter issued by the LISCR, Chief Operating Officer Alfonso Castillero, invited any corporate entity directly affected by the changes to contact LISCR directly for assistance. The letter also referenced an upcoming newsletter to be posted at www.liberiancorporations.com for further details on the updates.

Mr. Castillero says: “We are incredibly pleased to see the successful revision and approval of the BCA and LLC Act. We know that these revisions will have a direct and tangible benefit for users of Liberian corporate law. This is part of our continued approach to maintaining the competitive advantage of Liberia.” The Liberian Registry is one of the largest vessel registries in the world. Commercial shipping interests often register vessels in Liberia because of the West African nation’s favorable tax and labor laws. Taken together, the updates promise to bring Liberia’s corporate registry laws more closely in line and competitive with other nations offering open registries such as the Marshall Islands and Panama.

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