



GUIDANCE NOTE

IFSC/2/GN/009 (4)

Policy on Struck-Off International Business Companies (IBCs) and their compliance with Economic Substance Requirements

For the attention of all Licensees and IBCs:

This Guidance Note further clarifies the Commission's Policy with respect to IBCs that fall struck-off and should be read in conjunction with [Guidance Note G-CD-No.12. 7 of 2020](#), previously published by the Commission on 18th November 2020.

An IBC may fall struck-off under various scenarios, inter alia, non-payment of outstanding fees and penalties and failure to maintain a Registered Agent in Belize as required by law. An IBC that falls struck-off **remains liable** for all claims, debts, liabilities, and **obligations of the company** and the striking-off does not affect the liability of any of its members, directors, officers or agents.

Where the name of an IBC is struck-off the Register, the company, its directors, members, liquidators and receivers thereof, may not legally:

- (a) commence legal proceedings, carry on any business or in any way, deal with the assets of the company;
- (b) defend any legal proceedings, make any claim, or claim any right for, or in the name of the company; or
- (c) act in any way with respect to the affairs of the company.

In addition, the fact that the name of the IBC is struck-off the Register does not prevent the company from incurring liabilities, any creditor making a claim against the company, entering judgment and execution against it, or the appointment of an official liquidator of the company.

Furthermore, under current law¹, an IBC that falls struck-off will only be compulsorily dissolved within five (5) years immediately following the date of the striking-off. This will transpire if no action is taken by the owners to restore the entity to good standing or to voluntarily dissolve the entity within the allocated period.

Where IBCs have been struck off and continue to operate illegally, causing reputational damage to the jurisdiction, the Registrar may apply to the court on or before the expiration of the period of five years, to have the company put into liquidation.

¹ International Business Companies Act, Chapter 270 of the Substantive Laws of Belize, Rev. Ed. 2011, Section 108(3).

The Commission will publish a list of IBCs which do not comply with the Economic Substance Act. The particulars of its directors and shareholders may also be posted as a Public Notice to this effect.

The Commission will also publish [struck-off companies](#) and a list of IBCs that have been compulsorily dissolved on its website.

Registered Agents must keep sight of the law and their obligations with respect to the IBCs for which they serve and as their respective registered offices and agents.

INTERNATIONAL FINANCIAL SERVICES COMMISSION

28th July 2021