

# Guidance Note

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Registration of a Foreign Company in the  
Cayman Islands

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### Introduction

The Companies Law (as Revised) (the “**Companies Law**”) provides for the registration of foreign companies in the Cayman Islands.

A foreign company, within the meaning of the Companies Law, is an overseas company which establishes a place of business or commences carrying on business in the Cayman Islands and such a company is required by the Companies Law to be registered as a foreign company. Registration is also required where the company is applying to be licensed by the Cayman Islands Monetary Authority.

### Filing Requirements

The following documents are required to be delivered to the Registrar of Companies (the “**Registrar**”) for registration within one month of becoming a foreign company:

1. a certified copy of the foreign company’s certificate of formation or incorporation, or the equivalent document issued by the relevant authority, as evidence of its formation or incorporation;
2. a certificate of good standing issued by the relevant authority (or a certified copy thereof) or, if the relevant authority does not issue such certificates of good standing, a declaration signed by a director of the foreign company that the foreign company is in good standing with the relevant authority, in either case, dated no earlier than one month prior to the date of its delivery to the Registrar;
3. a certified copy of any charter, bye-laws or memorandum and articles of association, or other constitutional document of the foreign company that is required to be filed with the relevant authority under the laws of the relevant jurisdiction in connection with the incorporation or formation of the foreign company;
4. a list of directors containing particulars usually provided in respect to directors in the register of directors of a company namely, name, address, occupation and position with the foreign company; and
5. the names and addresses of one or more persons resident in the Cayman Islands authorised to accept on its behalf service of process and any notices to be served on it. Stuarts Corporate Services Ltd. (“**SCS**”) an affiliate of Stuarts Walker Hersant Humphries can act in this role.

Upon compliance with the above filing requirements, and payment of the registration fee (detailed below), a foreign company will be issued with a certificate of registration by the Registrar.

## Fees

Under section 184 (1) of the Companies Law, every foreign company, which has registered under Part IX of the Companies Law, is required to pay an initial and annual fee of CI\$1,350.00 (approximately US\$1,607.14) in January of each year.

Penalties are payable if default is made in paying the annual fee. The penalty is 33.33% of the annual fee payable by the foreign company if the annual fee and penalty are paid between 1st April and 30th June; 66.67% of the annual fee payable if the annual fee and penalty are paid between 1st July and 30th September; and 100% of the annual fee payable if the annual fee and penalty are paid between 1st October and 31st December.

If a foreign company fails to comply with any of its other obligations, then it and every officer or agent of the foreign company is liable to a fine or, in the case of a continuing offence, a further fine for every day during which the default continues.

SCS can act as the company's agent for service and attend to the filing requirements with the Registrar. SCS's fees are US\$2,500 per annum, or higher if the company is regulated or licensed by the Cayman Islands Monetary Authority (since this involves additional filings), pro rated for part years.

## Ongoing Requirements

### Changes in constitutional documents

A foreign company must, within 30 days after the date on which one of the following changes is made, deliver to the Registrar for registration a return containing the particulars of the alterations:

- alteration of its charter, statutes, memorandum and articles of association or any such instrument;
- registration or appointment of directors or change of status of any director (i.e. address, occupation, office); and
- change of the service provider authorised to accept service of process and notices on the foreign company's behalf.

### Execution of documents

An instrument executed by a foreign company outside the Cayman Islands is deemed to be executed as a deed or instrument under seal if (i) it is sealed or (ii) if it is clear on its face that it is intended to be executed as a deed and (iii) it is executed in conformity with the requirements of the law of the jurisdiction in which the company was incorporated and (iv) in accordance with its memorandum and articles of association and the fact that it was so executed may be proved by the affidavit or solemn declaration of a witness to the execution of the instrument sworn or made



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before a notary public or any other person qualified to administer oaths in any jurisdiction.

## **Powers of Attorney issued by a foreign company**

Section 191 of the Companies Law provides that a foreign company may, by deed or instrument under seal, empower a person either generally or in respect of a specified matter, to be its attorney to execute in the Cayman Islands, deeds or instruments under seal on its behalf. A deed or instrument under seal, signed in the Cayman Islands by an attorney of the foreign company shall be binding on the foreign company and shall have effect as if it were executed by such company.

## **Removal of foreign company's name from Register**

If a foreign company ceases to carry on or have a place of business in the Cayman Islands it shall forthwith give notice of the fact to the Registrar and the obligation of the foreign company to deliver any document to the Registrar shall cease with effect from the date of notice.



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## Guidance

This publication is for general guidance and is not intended to be a substitute for specific legal advice. Specialist advice should be sought about specific circumstances. If you would like further information, please contact:

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Stuarts Humphries is a leading Cayman Islands legal practice with international reach. Offering a full range of corporate and commercial legal advice together with a constant client focus, our experienced attorneys assist our clients on their most significant and challenging commercial transactions, structures, liabilities and obligations.

Our proven track record in advising leading international Law Firms, Investment Managers, Investment Companies and High-Net-Worth individuals is a result of the deep understanding of our markets.

At Stuarts, we build and maintain enduring relationships with our clients through the combined legal expertise and business acumen of our practice groups and by providing outstanding service.



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