

## Annexure 26

### TABLE OF PENALTIES

This Table of Penalties provides guidance on the manner that the Registrar will impose the penalties provided for under relevant provisions of the International Business Companies Act, 2016 and may be amended from time to time by the Registrar.

In determining the level of non-compliance and the applicable penalty to be imposed on a company as specified in the table of penalties, the Registrar has taken into consideration the nature and seriousness of the non-compliance by the company. Where applicable, the penalties shall be on a company and/or on directors of the company.

For purposes of this Annexure, the term “per day for continued non-compliance” means the penalty applicable per day, starting from the day following which the non-compliance was identified.

#### Section 104 [Register of Members]

<b>Legal Provision</b>	<b>Non-compliance</b>	<b>Level of non-compliance</b>	<b>Applicable penalty</b>
Section 104 (1)	Failure to keep register of members at registered office	(a) No register of members kept at registered office	(a) US\$ 1,000 + US\$ 100 per day for continued non-compliance
Section 104(2)	Information kept on register of members not accurate and up-to-date	(a) Information on register are not accurate and up-to-date	(a) US\$ 1,000 + US\$ 100 per day for continued non-compliance

#### Section 106 [Register of members and listed companies]

<b>Legal Provision</b>	<b>Non-compliance</b>	<b>Level of non-compliance</b>	<b>Applicable penalty</b>
Section 106(1)	Failure to apply in writing to the Registrar for approval to keep register of members at a location in Seychelles other than at the registered office	(a) Register of members being kept in Seychelles but no approval in writing made to the Registrar	(a) US\$ 1,000
Section 106(3)(a)	Failure to seek Registrar’s prior written approval to change location of register of members	(a) No prior approval sought from the Registrar	(a) US\$ 1,000
Section 106(3)(b)	Failure to notify registered agent in writing of the address of the location at which register of members is kept within 14 days after approval given by the Registrar	(a) Notification not made to registered agent within 14 days	(a) US\$ 1,000 + US\$ 25 per day for continued non-compliance, (capped at US\$ 4,000)

Section 106(3)(c)	Failure to notify registered agent of the change of location within 14 days of any change in the location at which the register of members is kept	(a) Notification not made to registered agent within 14 days	(a) US\$ 1,000 + US\$ 25 per day for continued non-compliance, (capped at US\$ 4,000)
Section 106(3)(d)	Where a company keeps a copy of its register of members at its registered office, where there is any change in the register, failure to provide the registered agent with an updated copy of the register within 14 days	(a) Failure to provide registered agent with an updated copy of the register within 14 days	(a) US\$ 1,000 + US\$ 100 per day for continued non-compliance

#### Section 125 [Keeping of minutes and resolutions of members]

Legal Provision	Non-compliance	Level of non-compliance	Applicable penalty
Section 125(1)	Failure to keep minutes and resolutions of members	(a) No minutes and resolutions of members being kept	(a) US\$ 2,000
Section 125(2)	Failure to keep records for at least seven years from the date of the meeting or written resolution	(a) Records not being kept for at least 7 years <sup>11</sup>	(a) US\$ 500 to US\$ 2,000

#### Section 126 [Location of minutes and resolutions of members]

Legal Provision	Non-compliance	Level of non-compliance	Applicable penalty
Section 126(2)	Failure to notify registered agent in writing of the physical address of the place at which minutes and resolutions are kept	(a) Notification not made to registered agent	(a) US\$ 1,000 + US\$ 25 per day for continued non-compliance, (capped at US\$ 2,000)
Section 126(3)	Failure to notify registered agent, within 14 days, of a change of the physical address of the place at	(a) Notification not made to registered agent within 14 days	(a) US\$ 1,000 + US\$ 25 per day for continued non-compliance, (capped at US\$ 2,000)

<sup>11</sup> The level of penalty applicable will be calculated on a case by case basis depending on whether the circumstances leading to the non-compliance are justifiable and to the satisfaction of the Authority.

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### Section 150 [Register of directors]

Legal Provision	Non-compliance	Level of non-compliance	Applicable penalty
Section 150(1)	Failure to keep register of directors at registered office in Seychelles	(a) No Register of directors kept at registered office	(a) US\$ 1,000 + US\$ 100 per day for continued non-compliance
Section 150(2)	Information kept on register of directors not accurate and up-to-date	(a) Information on register are not accurate and up-to-date	(a) US\$ 1,000 + US\$ 100 per day for continued non-compliance

### Section 152 [Filing of register of directors]

Legal Provision	Non-compliance	Level of non-compliance	Applicable penalty
Section 152(1)	Failure to file a copy of the register of directors for registration by the Registrar within 30 days	(a) Filing not made within 30 days	(a) US\$ 1,000 + US\$ 50 per day for continued non-compliance.
Section 152(2)	Failure to file any change in the content of the register of directors within 30 days of the change	(a) Filing not made within 30 days	(a) US\$ 1,000 + US\$ 50 per day for continued non-compliance.

### Section 156 [Keeping of minutes and resolutions of directors]

Legal Provision	Non-compliance	Level of non-compliance	Applicable penalty
Section 156(1)	Failure to keep minutes and resolutions of directors	(a) No minutes and resolutions of members being kept	(a) US\$ 2,000
Section 156(2)	Failure to keep records for at least seven years from the date of the meeting or written resolution	(a) Records not being kept for at least 7 years <sup>12</sup>	(a) US\$ 500 to US\$ 2,000

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<sup>12</sup> The level of penalty applicable will be calculated on a case by case basis depending on whether the circumstances leading to the non-compliance are justifiable and to the satisfaction of the Authority.

**Section 157 [Location of minutes and resolutions of directors]**

<b>Legal Provision</b>	<b>Non-compliance</b>	<b>Level of non-compliance</b>	<b>Applicable penalty</b>
Section 157(2)	Failure to notify registered agent in writing of the physical address of the place at which its minutes and resolutions are kept	(a) Notification not made to registered agent	(a) US\$ 500 + US\$ 25 per day for continued non-compliance, (capped at US\$ 2,000)
Section 157(3)	Failure to notify registered agent, within 14 days, of a change in the physical address of the place at which its minutes and resolutions are kept	(a) Notification not made to registered agent	(a) US\$ 500 + US\$ 25 per day for continued non-compliance, (capped at US\$ 2,000)

**Section 169A [Preservation of Records]**

<b>Legal Provision</b>	<b>Non-compliance</b>	<b>Level of non-compliance</b>	<b>Applicable penalty</b>
Section 169A(1)	Failure by registered agent to preserve records for at least 7 years	(a) Records not preserved by registered agent for at least 7 years <sup>13</sup>	(a) US\$ 2,000 to US\$ 10,000
Section 169A(2)	Failure by registered agent to hand over records to Registrar or any other person authorised by the Registrar	(a) Records not handed over to Registrar or any other person authorised by the Registrar	(a) US\$ 2,000 to US\$ 10,000

**Section 171 [Annual Return – Repealed]<sup>14</sup>**

<b>Legal Provision</b>	<b>Non-compliance</b>	<b>Level of non-compliance</b>	<b>Applicable penalty</b>
Section 171(1)	Failure to submit annual return to registered agent in Seychelles	(a) Annual Return not submitted	(a) US\$ 500

<sup>13</sup> The level of penalty applicable will be calculated on a case by case basis depending on whether the circumstances leading to the non-compliance are justifiable and to the satisfaction of the Authority.

<sup>14</sup> Penalties applicable to annual returns due by December 2020 and prior years.

**Section 173 [Furnishing of records]**

<b>Legal Provision</b>	<b>Non-compliance</b>	<b>Level of non-compliance</b>	<b>Applicable penalty</b>
Section 173(2)	Failure to furnish records within the time period specified in the request	(a) Records furnished after specified timeframe	(a) US\$ 1,000 + US\$ 100 per day for continued non-compliance

**Section 174 [Keeping of Accounting Records]**

<b>Legal Provision</b>	<b>Non-compliance</b>	<b>Level of non-compliance</b>	<b>Applicable penalty</b>
Section 174(1)	Failure to keep reliable accounting records	(a) Accounting records not being kept  (b) Partly kept accounting records <sup>15</sup>	(a) US\$ 10,000  (b) US\$ 2,000 to US\$10,000

**Section 175 [Location and preservation of accounting records]<sup>16</sup>**

<b>Legal Provision</b>	<b>Non-compliance</b>	<b>Level of non-compliance</b>	<b>Applicable penalty</b>
Section 175(1A)	Failure by a holding company, which is not a large company, to keep, on a bi-annual basis, its accounting records at registered office in Seychelles	(a) No accounting records being kept at the registered office on bi-annual basis	(a) US\$ 5,000 + US\$ 100 per day for continued non-compliance
Section 175(1B)	Failure by a company other than a holding company, which is not a large company, to:  (a) prepare a financial summary to be kept in Seychelles within 6 months from the end of the company's financial year;	(a) No financial summary being kept at the registered office	(a) US\$ 5,000 + US\$ 100 per day for continued non-compliance

<sup>15</sup> The level of penalty applicable will be on a case by case basis depending on the severity of non-compliance identified. For example, should most of the accounting records be available, then the penalty level would in the lower range.

<sup>16</sup> In cases where a company is identified to be non-complaint under both sections 174 and 175, the sanction under section 174 shall apply.

	(b) keep, on a bi-annual basis its accounting records at its registered office in Seychelles	(b) No accounting records being kept at the registered office on bi-annual basis	(b) US\$ 5,000 + US\$ 100 per day for continued non-compliance
Section 175(2A )	Failure to notify the registered agent in writing of the physical address of where the original accounting records are being kept	(a) Notification not made to registered agent	(a) US\$ 500 + US\$ 50 per day for continued non-compliance
Section 175(4)	Failure to preserve the company's accounting records for at least 7 years	(a) Accounting records not preserved for at least 7 years <sup>17</sup>	(a) US\$ 2,000 to US\$ 10,000

#### Section 179 [Register of charges]

Legal Provision	Non-compliance	Level of non-compliance	Applicable penalty
Section 179(1)	Failure to keep register of charges at registered office in Seychelles	(a) No Register of charges being kept	(a) US\$ 500 + US\$ 50 per day for continued non-compliance

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<sup>17</sup> The level of penalty applicable will be calculated on a case by case basis depending on whether the circumstances leading to the non-compliance are justifiable and to the satisfaction of the Authority.