



BARBADOS INTERNATIONAL BANKS

A guide for business executives involved in International Banking

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Table of Contents

- Introduction **2**
- PricewaterhouseCoopers in Barbados and the East Caribbean **3**
- Why Barbados? **4**
- Establishing an International Bank **6**
- Start-up and ongoing operational costs **7**

THE ISLAND OF BARBADOS

- n Integrity and Professionalism **9**
- n Geography, Climate and Population **10**
- n History **12**
- n Politics, Government and Judiciary **13**
- n Economy, Trade and Industries **14**
- n Money, Banking and Finance **16**
- n Transport and Communication **17**
- n Infrastructure and Social Environment **18**

Appendices

- I. Key Legal Requirements **22**

Introduction

With a long history of political and economic stability and commitment to free enterprise, Barbados has developed into a major domicile for international business within the Eastern Caribbean.

This guide has been prepared by PricewaterhouseCoopers East Caribbean. It provides background information to help business executives evaluate the advantages of establishing an International Bank in Barbados.

Executives who are already planning to establish an International Bank here, or who wish more detailed information on the process or about specific issues, are urged to contact one of the following partners with responsibilities for international banking: Wayne Fields, Marcus Hatch, Charles Tibbits, Gloria Eduardo or Ashley Clarke.

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PricewaterhouseCoopers in Barbados and the East Caribbean

Through its legacy firms, PricewaterhouseCoopers has roots in Barbados that go back to the 1860s. Officially known as PricewaterhouseCoopers East Caribbean, the partnership is headquartered in Barbados with practices in Antigua, St. Lucia and Grenada.

Through its Corporate Services Division, which is managed by Abacus Management Services Ltd., the firm provides a complete range of services to foreign investors seeking to establish an International Bank in Barbados.

These include:

- n Arranging incorporations, registration of external companies and company liquidations.
- n Preparing the application for the international banking licence and attending discussions with the Central Bank of Barbados for the granting of the licence.
- n Providing a registered office and a company secretary, and nominating local directors.
- n Maintaining statutory records, acting as a company registrar and dividend payment agent.
- n Filing statutory returns and generally keeping the company in good standing.

Why Barbados?

Already renowned as one of the premier holiday destinations in the Caribbean, and recognized by the United Nations as among the top developing nations in the world, Barbados also enjoys a well deserved reputation for integrity as an international business centre.

Over the past 30 years, successive governments have painstakingly built a highly attractive environment for foreign investment and international business. In addition to offering attractive tax concessions and incentives, the island has established a network of tax treaties with several countries including the USA, Canada, The UK, Switzerland and China.

Indeed, Barbados has continually enacted – and refined – legislation that makes the country a highly respected domicile not only for International Banks but also for:

- n International Business Companies
- n Exempt Insurance Companies
- n Qualifying Insurance Companies
- n International Societies with Restricted Liability
- n International Trusts
- n Mutual Funds

Barbados has excellent international telecommunications links and is easily accessible by frequent scheduled flights from the United States, Canada, Britain and Europe. In addition, the island is home to a well-educated and skilled population and enjoys a well-developed infrastructure and a sophisticated level of services.

Underlying legislation for International Banks

A company may be licensed as an International Bank in Barbados under the International Financial Services Act, 2002. Activities of International Banks are regulated by the Central Bank of Barbados.

Key Incentives

Here are some of the key incentives and requirements that apply to an International Bank:

- n Tax on income on a sliding scale, from a maximum of 2.5% to a minimum of 1%.
- n A tax credit in respect of taxes paid outside of Barbados, but only insofar as it reduces the tax payable in Barbados to a minimum of 1%.
- n Exemption from withholding taxes on dividends, payments of interest or fees.
- n No capital gains tax or estate duty.

- n Freedom from exchange control regulations.
- n Books and records may be kept in a foreign currency.
- n Statutory confidentiality provisions for customers of the bank.
- n Provisions for inward and outward re-domiciliation.
- n Access to the country's tax treaty network.
- n Income tax concessions for specially qualified employees.
- n Convention expenses allowed by US tax authorities.
- n Certain trusts established with an international bank as trustee are exempt from Barbados income tax.

Restrictions/Requirements

- n Audited financial statements must be filed with the Central Bank of Barbados on an annual basis.
- n Bearer shares are not permitted.

Principal international tax planning considerations

- n **Canada** – As a result of Barbados being a “designated treaty country”, a qualifying foreign bank, which employs more than five employees full time in the active conduct of its business, may remit dividends to Canada out of its exempt surplus. These dividends are excluded from the taxation of a Canadian corporate investor. The regulations imposed under the International Financial Services Act, 2002 are sufficient to satisfy the Canada Revenue Agency that the bank is regulated for purposes of exempt surplus rules. A bank may also be used to finance intra-group activities where there is a reduced withholding tax on interest payments only to qualified foreign banks.
- n **Latin America** – Although the major economies in Latin America have instituted legislation inhibiting payments to low/no-tax jurisdictions, planning opportunities continue to exist that enable a multinational corporation to finance its expansions/operations in Latin America in an efficient manner using a Barbados international bank.

Establishing an International Bank

An International Bank is defined as a business that receives funds through:

- The acceptance of foreign money deposits payable upon demand or after a fixed period or after notice.
- The sale or placement of foreign bonds, foreign certificates, foreign notes, or other foreign debt obligations or foreign securities.
- Any other similar activity involving foreign money or foreign securities.

These funds can be used, either in whole or in part, for:

- The activities of the licensee carrying on the above businesses, for the account of, or at the risk of, that licensee.
- Loans, advances and investments.
- The purchase or placement of foreign bonds, foreign certificates, notes or other foreign debt obligations or other foreign securities.
- Any other similar activity involving foreign money or foreign securities.

In terms of trust activities, it includes the acceptance in trust from persons outside of Barbados, or from prescribed persons, of:

- Money in foreign currencies or in foreign securities or both.
- Foreign personal or movable property.
- Real or immovable property located outside Barbados.

Any person or business seeking to establish an International Bank in Barbados must first obtain the approval of the Central Bank of Barbados before incorporation. Once this approval has been obtained, the applicant may proceed to incorporate under the Companies Act Cap. 308 (See Appendix I).

In order to qualify for an international banking licence, a company must:

- Be a qualified foreign bank or be incorporated in Barbados.
- Restrict its activities to international banking from within Barbados.
- Have at least one director who is a resident citizen of Barbados.
- Have paid up capital of at least US\$2,000,000 if it accepts third-party deposits, or US\$500,000 if it does not accept third-party deposits.
- Maintain a reserve fund to which 25% of net profits before dividends are transferred annually until the reserve fund equals the paid up capital.
- Pay an initial registration/licence fee of US\$12,500.

Thorough investigations of shareholders, directors and officers of a company are carried out before an international banking licence is granted.

Start-up and ongoing operational costs

Estimated start-up costs for an International Bank (in US dollars):

Government Fees

Incorporation	\$	390
Licence		12,500

Professional Fees (minimum)

Central Bank application		19,700
Incorporation (inclusive of legal fees)		5,300
Corporate retainer (first year)		2,500
Disbursements (estimate)		510
Audit Fee – opening balance sheet		2,500
	\$	30, 510

Independent local resident director – if required

(Minimum)	\$	2,500
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Estimated recurring costs are as follows (in US dollars):

Preparing and filing annual returns and licence renewal	\$	500
Government fee for annual returns		50
Government fee for licence renewal		250
Retainer fee		12,500
	\$	15,500

Independent local resident director – if required

(Minimum)	\$	2,500
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The Island of Barbados

An ideal environment for international business

Integrity and Professionalism

For the past 30 years, successive governments in Barbados have diligently constructed a framework of legislation designed to encourage foreign investment and establish the island as a leading international business centre in the Caribbean.

Today, Barbados is a highly respected domicile for such entities as International Insurance Companies, International Business Companies, International Banks, Societies With Restricted Liability, International Trusts, and Mutual Funds.

Throughout the process of enacting and refining the laws governing international business, the country has rigorously safeguarded its reputation for integrity, responding quickly to such international concerns as money laundering and lack of transparency.

Indeed, while offering a low-tax environment to international businesses, Barbados has, from the very beginning, chosen to establish a high level of transparency and a cooperative approach to sharing information sharing with tax authorities in other countries.

Professional Services

The island provides an excellent range of professional services – and highly skilled professionals – to meet the needs of the international business sector. The legal profession is well established in Barbados, with many law firms that specialise in corporate and international business law.

All of the major international accounting firms are represented through local partnerships, offering assurance, tax, advisory and corporate services. There are several independent management companies on the island that already handle the business of scores of International Insurance Companies.



Barbados has tax treaties with the following countries:

- n The United States
- n Canada
- n The United Kingdom
- n China
- n Cuba
- n Finland
- n Norway
- n Sweden
- n Switzerland
- n Venezuela
- n The territories that comprise the CARICOM Single Market and Economy

NOTE: To review the entire *International Financial Services Act, 2002* and other laws pertaining to international business, please visit the website of the Ministry of Industry and International Business at: www.barbadosbusiness.gov.bb

Geography, Climate and Population

Geography

Barbados is the most easterly of the Caribbean Islands. Essentially a “coral” island, with an area of 166 square miles, it is situated approximately 1600 miles southeast of Miami, Florida. The island is easily accessible by frequent scheduled flights from Miami (3.5 hours), New York City (4.5 hours), Toronto (5.5 hours), and London or Brussels (8 hours).

Climate

Barbados has a tropical climate and relatively high average temperatures and humidity. However, these conditions are moderated by the cooling effect of strong North East trade winds that blow over the island.

Temperatures during the day rarely exceed 30C (86F). During November through March, conditions tend to be a few degrees cooler, while the months of July through October are generally more humid and wet.

Population

The resident population of the island is approximately 270,000. Approximately 94% of Barbadians are of African descent, with the remainder being of European descent and other nationalities.

When segmented by age, 24% of the population is under 15, with 64% between the ages of 15 and 64. The remaining 12% are over 65.



Top: the island's East Coast is noted for its rugged beauty and Atlantic swells. Bottom: The West Coast is famous for its crystal-clear waters, fine sand beaches and luxury accommodation.



Barbados is the most easterly of the Caribbean islands, situated about 1600 miles southeast of Miami, Florida.

History

Archaeological evidence shows that the Arawaks, a people indigenous to the Orinoco River area of Venezuela, inhabited Barbados from around 600BC. They were later driven out by the Caribs, who also migrated north from the same area but who did not settle on the island.

The Europeans knew about the existence of Barbados since the 16th century. However, the island was not settled until 1627 when a group of Englishmen established a formal colony and planted tobacco and cotton for export to England. After 1645, these crops were replaced by sugar cane, which fostered the development of the plantation system.

From early on, Barbados enjoyed trading relationships and other ties with the United States and later Canada. In 1670, Barbadian immigrants helped to found the State of South Carolina and its capital city of Charleston. What is more, Barbados bears the distinction of being the only country outside of the United States ever visited by George Washington who came to the island in 1752.

Since the abolition of slavery in 1834, the descendants of African slaves who were brought to Barbados to underpin the plantation system have developed into a thriving and industrious population.

In 1966, after almost 350 years of unbroken British colonial status, Barbados became a fully independent sovereign nation. The island is English-speaking and has remained a member of the British Commonwealth.



Carved by a British army officer stationed on the island, this stone lion is a reminder of Barbados' colonial past.



The Corp of Drums of the Barbados Defence Force wear uniforms that date back to Victorian times.

Politics, Government and Judiciary

Politics

An independent country since November 30, 1966, Barbados is noted for its high level of political, economic and social stability, as well as for the integrity of its institutions. The country operates as a well developed democracy with open elections held every five years. There are two main political parties, the Barbados Labour Party and the Democratic Labour Party. Elections are hotly contested, but are notably free of violence and corruption.

Government

Barbados enjoys a parliamentary style government, with a House of Representatives and a Senate. The island's first Parliament was established in 1639, making it the second oldest in the Western Hemisphere.

The function and powers of the Government are vested in Cabinet, presided over by the Prime Minister. Senators are appointed: 12 by the Government, two by the official Opposition, and seven "independents" on the recommendation of the Governor General who is the Queen's representative and Head of State.

Judiciary

The legal system of Barbados is based on English Common Law as modified by Statute to meet local requirements. The members of the judiciary, in performing their judicial acts, are completely independent of the executive and legislative functions of Government.



Top: The Parliament Buildings in Bridgetown – home to the second oldest parliament in the Western Hemisphere.

Bottom: Mounted police in full ceremonial uniform.

Economy, Trade and Industries

Barbados embodies an open, small, free enterprise economy. A Value Added Tax on consumption, implemented in 1997, has enabled the country to reduce its dependence on import tariffs and duties as a source of revenue, and also to improve compliance with WTO rules.

In 2003, the country's Gross Domestic Product (excluding net indirect taxes) was approximately BDS\$4.4 billion. That same year, exports amounted to BDS\$500 million, while imports totalled BDS\$2.39 billion. Domestic exports consist mainly of sugar and its by-products rum and molasses, chemicals, clothing, furniture, electrical components and cement.

Consumer goods, mostly food and beverages, account for the majority of the island's imports – BDS\$915 million in 2003. That same year, intermediate goods and capital goods such as machinery for use in agriculture and manufacturing, accounted for BDS\$2.26 billion of the island's import bill.

Based primarily on sugar until the 1970s, the island's economy now has four key productive industries: tourism, agriculture, manufacturing and international business.

Tourism

Tourism continues to play a key role in the economy and has a positive "spin-off" impact on virtually all other business sectors. Currently, this industry accounts for about 11% of the employed labour force and is the country's principal foreign exchange earner. For example, in 2003, the gross annual earnings from tourism were approximately BDS\$1.46 billion. The island attracts approximately one million visitors each year, with an almost equal split between long stay visitors and cruise ship passengers.



Top: St. Lawrence Gap, on the vibrant South Coast – heart of the island's nightlife.

Bottom: This modern distillery produces fine rums for which Barbados is famous.



Local crude oil production meets about half the islands domestic requirements.

on this commodity and to encourage diversification, especially in vegetables, poultry, livestock and fishing. The island is virtually self-sufficient in pork, poultry, fresh milk and vegetables.

International Business

This sector, which has steadily developed since 1977, now contributes significantly to the island's foreign exchange earnings and provides employment for approximately 3,000 Barbadians. Some unofficial estimates put the sector's contribution to the country's GDP at about 7.5%.

Manufacturing

The manufacturing sector in Barbados accounts for approximately 7% of the island's employed labour force and includes food and beverages (especially sugar and rum), electronics, hardwood furniture, garments and chemicals.

The country continues to welcome investment in the manufacturing sector, especially for the production of higher value-added, skills-

intensive products that use modern technology. Electronics, medical equipment and information processing are areas of particular interest. In recent years, the island has been attracting a growing number of call centres.

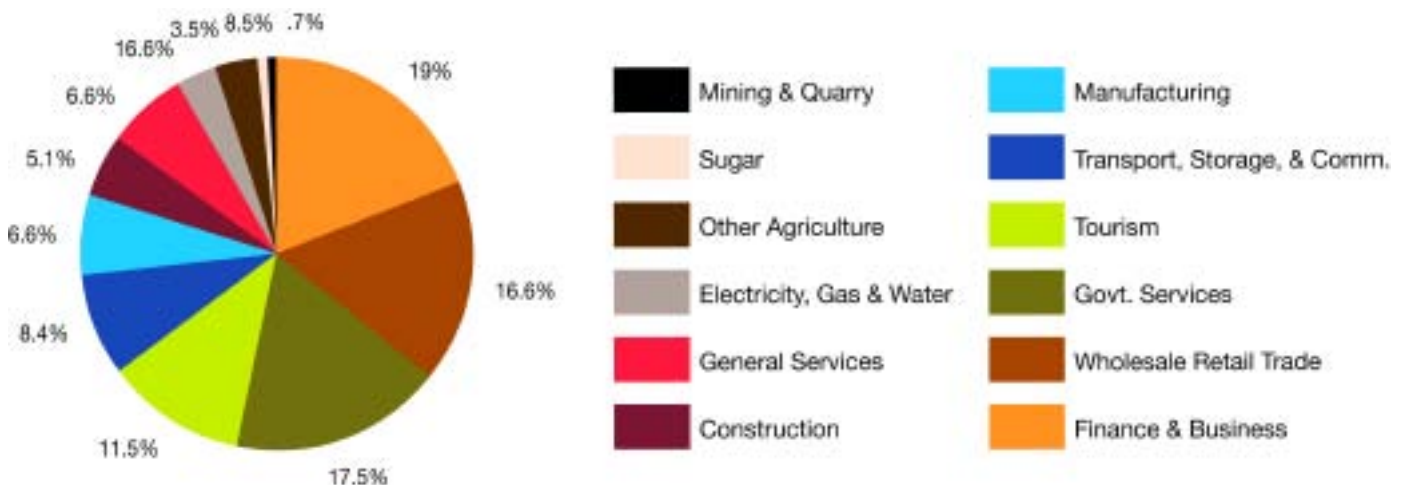
Agriculture

While the production of sugar is still important to the island's ability to earn foreign exchange, the Government's policy in agriculture has been to reduce dependence

Primary Resources

Other than substantial limestone deposits that are mined and used to produce cement and other lime-based products, Barbados does not have an abundance of natural resources. However, the country does have some oil and natural gas deposits that have been accessed to reduce dependence on outside sources. In 2003, approximately 22.4 million cubic metres of natural gas were sold, and 371,000 barrels of crude oil produced. Local crude oil production meets about half the domestic requirements.

Barbados Gross Domestic Product (2003)



Money, Banking and Finance

Barbados has been a member of the International Monetary Fund since 1973. The Barbados dollar is backed by gold and foreign assets, which have promoted stability and confidence in the currency. Since 1975 the country's dollar has been fixed at BDS\$2.00 to US\$1.00.

Exchange control

Barbados has exchange control regulations, although these are being loosened over time. However, international businesses, including Exempt Insurance and Qualifying Insurance Companies, are exempt from these exchange regulations.

The Central Bank of Barbados

Barbados has had a Central Bank since 1973. The main role of the Central Bank is to act as banker, fiscal agent and financial advisor to the Government, and to monitor and regulate the activities of commercial banks and other financial institutions. It also has a duty to promote monetary policies and exchange policies that encourage economic growth.

Commercial Banks and Finance Companies

The banking system in Barbados is well established, and the island has a competitive commercial banking sector. The commercial banks currently operating here include: First Caribbean International Bank (a regional combination of Barclays Bank and CIBC Caribbean), Royal Bank of Canada, Bank of Nova Scotia, Barbados National Bank (majority owned by Republic Bank of Trinidad), Bank of Butterfield & Sons, and Caribbean Commercial Bank (wholly owned by Royal Bank of Trinidad & Tobago).

There are also several finance companies operating in Barbados. Apart from collecting deposits, these companies complement the commercial banks in financing the purchase of construction equipment, motor vehicles and other consumer durable goods.

Domestic Insurance

Barbados has a highly developed domestic insurance industry. Placement of insurance through brokers is commonplace.



Top: The Tom Adams Financial Centre, named after the island's second prime minister, is home to the Central Bank of Barbados.

Bottom: This elegant building is the head office of FirstCaribbean International Bank.

Transport and Communication

Airport

Voted the “Best Caribbean Airport” at the World Travel Awards for 2003, the Grantley Adams International Airport is located in the south of the island, about 30 minutes from the capital of Bridgetown. The airport is serviced by major international airlines, including American Airlines, American Eagle, Continental, US Airways, Air Canada, Air Jamaica, British Airways, BWIA and Virgin Atlantic. These airlines provide direct links to major cities such as Miami, New York, Newark, Philadelphia, San Juan, Washington, Toronto and London. The GAIA is a major “hub” for several regional airlines that connect the Eastern Caribbean with frequent flights daily.

Port facilities

Located on the edge of the City, the Bridgetown Port is one of the most modern in the Caribbean. The port provides container handling and berthing facilities for ocean-going freighters and passenger ships including the world’s major luxury liners, several of which now use the Bridgetown Port as their “homeport” for Caribbean cruising in the South Caribbean.

Postal, Courier and Telecommunication Services

The Post Office Department provides speedy and reliable domestic and international mail services on a daily basis to all parts of the island. There are 17 post offices that are open from 8:00 a.m. until 3:00 p.m., Monday through Friday. Express post is available to certain countries through the Post Office Department, and there are a number of private couriers including Federal Express, DHL and UPS.

Barbados has excellent telecommunications links, with direct-dial available to all world destinations. Businesses are offered the latest in communications technology, and many use the Internet to provide information on their products and services. Currently, there are three telecommunications companies on the island providing cellular phone services: including Cable & Wireless, Digicel, and AT&T Wireless.

News Media

There are two English language newspapers, a television station and several radio stations that provide local, regional and international news. International editions of major foreign newspapers (from North America and the UK) are also available on a daily basis. Also, two satellite linked cable television services provide subscribers with access to a wide range of international programming.



Top: Barbados enjoys excellent telecommunications links with the rest of the world.

Bottom: The island is also served by a modern deep water port.

Infrastructure and Social Environment

Barbados is one of the most highly developed small countries in the world. The United Nations Development Programme (UNDP) has ranked Barbados as No.1 on its Human Development Index in the Caribbean and Latin America. In its development, Barbados is also outperforming all of Africa, and all of Asia with the exception of Hong Kong, Singapore, Japan and South Korea.

The country's high level of development is reflected in its infrastructure and social environment.

Health Services

The Queen Elizabeth Hospital, situated on the outskirts of Bridgetown, accommodates 600 patients in private and general wards. There is also the Bayview Hospital, which is privately owned and accommodates 24 patients. There are also several well-equipped private clinics, health centres and nursing homes. The psychiatric hospital enjoys a good reputation.

Barbados enjoys a high standard of medicine and health services overall. Dental and optical services are readily available, and the Medical Register lists specialists trained in the United Kingdom, Canada and the United States.

Education

Barbados has an exceptionally good educational system that comprises free primary, secondary and tertiary levels of education. The literacy rate on the island is approximately 97%.

One of the campuses of the University of the West Indies is situated in Barbados. The university's Department of Management Studies together --with the affiliated Centre for



Top: The Sherbourne Conference Centre – one of the most modern facilities of its kind in the Eastern Caribbean.

Bottom: Student residences on the Cave Hill campus of the University of the West Indies.

Management Development provide many of the graduates for the country's domestic corporate sector, professional services firms, and international business sector.

Barbados also has a community college, a teachers' training college, a theological college, a hospitality institute and a polytechnic.

Housing

Barbados has well developed residential areas, and high quality housing for executives is available for sale or rent in many locations across the island.

Water

Barbados enjoys crystal clear drinking water throughout the island. Its primary source is underground springs, filtered through coral, and these are supplemented by the output from a newly completed desalination plant.

Electricity

The Barbados Light & Power Company provided a highly reliable electricity service throughout the island. Domestic current will operate appliances designed for 110 volts AC, 50-cycle supply. A 220-volt supply is also available to industrial and domestic users.

Roads

Barbados is criss-crossed by an extensive network of paved roads, including a trans-island highway that links all of the main transportation arteries. Driving is on the left-hand side of the road.

Office Space

Good quality, air-conditioned office space is available in Bridgetown or in several purpose-built office complexes on the outskirts of the city. Lease arrangements can be negotiated at reasonable rates.



Top: High quality executive housing is available for sale or rent in many parts of the island.

Bottom: Good quality, modern office space is available in several purpose-built complexes on the outskirts of the city.

Hotel Accommodation

In keeping with its reputation as a high-end tourism destination, Barbados has well-run hotels of international standards. These include a newly reconstructed Hilton, The Fairmont Hotels' Royal Pavilion, and Sandy Lane Resort, recognized as one of the finest facilities of its kind in the world. Other smaller but excellent quality hotels include Coral Reef, Colony Club, Glitter Bay Resort, Cobblers Cove and The Crane Private Residence Resort. In all, accommodation in Barbados, including luxury hotels, villas, guesthouses, and rental apartments, totals just over 8,000 rooms.

Many of the larger hotels offer conference facilities, as does the

Sherbourne Conference Centre, a purpose-built facility on the outskirts of Bridgetown.

Restaurants and Nightclubs

Barbados has dozens of restaurants, many of which are world-class in standard. In addition to these restaurants, there are several excellent private firms that cater for receptions. The island has an active nightlife, particularly on weekends, and there several nightclubs offering live bands as well the latest in international music.

Sports and Recreational Activities

Barbadians are a sports-loving people, and while cricket remains

the national "passion, sports of every kind are played on the island, including basketball, volleyball, field hockey, soccer, tennis, squash and golf. Horse racing and polo are also well established on the island and among the leading spectator sports. A national stadium and a gymnasium are used throughout the year to host field athletics, cycling and other well attended sporting events.

Barbados has gained increasing profile in recent years as a golfing destination. There are five golf courses on the island: two 18-hole courses at Sandy Lane, which have been recently designed by Tom Fazio; the luxurious 18-hole course at Royal Westmoreland, designed by Robert Trent Jones; the 18-hole



Horseracing is a well-established and popular sport on the island.



There are several world-class golf courses on the island.



Polo has become increasingly popular, and there are currently four polo fields on the island.

course at Southern Golf and Country Club; and the 9-hole course at Rockley Resort, which is the oldest course on the island.

The water and coral reefs surrounding Barbados are the island's greatest natural attraction. There are a number of traditional water sports activities including sailing, surfing, deep-sea fishing, scuba diving and snorkelling.

Festivals

Barbados celebrates the national festival of Crop Over during the

month of July. It is a festival of music, art and dance, and exotically costumed Barbadians take to the streets in the thousands during the final parade known as "Kadooment".

In March, the Annual Holders Opera Season offers the music and theatre of local and international performers, and attracts visitors from around the world.

Appendix - Key Legal Requirements

International Banks must incorporate in Barbados under The Companies Act, Cap.308, which is modelled on the Canada Business Corporations Act. Here are some of the key legal requirements under this and other legislation:

Company formation and registration of branches

Incorporation is achieved by filing Articles of Incorporation with the Registrar of Companies and paying a fixed fee of US\$390. A licence application is submitted to the Central Bank of Barbados, and the initial licence fee of US\$12,500 is paid to the Accountant General of Barbados. Thereafter, this licence fee of US\$12,500 is an annual fee. A licensed bank may only carry on business permitted under the International Financial Services Act, 2002. International Banks are empowered to adopt pre-incorporation contracts. Corporate mobility in and out of Barbados is allowed.

Tax returns

International Banks must file tax returns and financial statements in the same manner as local companies. Those with year-ends prior to September 30th must file by the following March 15, all others by the following June 15th. Taxes must be prepaid.

Capital

A company need only have one shareholder. Shares have no nominal or par value, and may not be issued until fully paid. A company may purchase and cancel its own shares provided it is solvent. Companies may amalgamate and mutual companies are allowed.

A company that intends to operate as an International Bank is required to have a minimum paid up capital of US\$2,000,000 if it accepts third-party deposits, or US\$500,000 if it does not accept third-party deposits.

Management

At least one director of an International Bank must be a resident citizen of Barbados. A company need only have one director. Directors' duties and liabilities are expressly stated in The Companies Act. A unanimous shareholders' agreement may restrict the power of the directors. Minutes of all meetings and resolutions of directors must be maintained at the registered office in Barbados. Alternate directors are allowed.

Meetings and votes

Directors may conduct their business by unanimous written resolution, or meet by telephone. An annual meeting of shareholders is required, at which shareholders may be represented by proxies. Fundamental changes to the company's Articles require two-thirds majority. Minutes and resolutions of the shareholders must be maintained at the registered office in Barbados.

Accounting and auditing

International Banks are required to file audited financial statements with the Central Bank within four months of the year-end, and also to make quarterly financial returns.

Adequate accounting books and records must be maintained in Barbados, and a qualified local auditor appointed if the gross assets or revenue of the IBC exceed US\$500,000. Accounting and auditing standards are prescribed by the Institute of Chartered Accountants of Barbados.

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