

PRESS RELEASE

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Liberia makes key updates to its Associations Law

The Republic of Liberia has revised its Business Corporation Act (the BCA) and its Limited Liability Company Act (the LLC Act) as part of their ongoing effort to continuously make these laws more customer-friendly, as up-to-date as possible.

With these recent revisions, Liberian Associations law is more reflective of the corporate laws and standards of the State of Delaware and other U.S. states, making Liberian law now even more favorable to use and easy to work with. Further, some modern practices have been codified into the law, including some electronic procedures that have become increasingly vital during the global pandemic. These revisions also streamline redundant procedures, like eliminating the need for multiple signatures on filing documents, and allow for the acknowledgement of filing documents outside Liberia without notarization and apostille.

Chief Operations Officer of the Liberian International Ship and Corporate Registry (LISCR), Alfonso Castellero, 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. I also want to thank the team at Watson Farley & Williams for their great support on this.”

The Law Firm of Watson Farley & Williams (WFW) assisted LISCR in developing these revisions. The WFW New York corporate team advising LISCR on the transaction was led by Partner Steven Hollander, supported by Partner Will Vogel and Associate Danny Berger. Steven Hollander commented: “We are very pleased to have worked on these revisions with LISCR and are proud to have played such a large role in shaping the future of Liberian corporate law.”

The key points of this Law revision include:

- Adoption of non-statutory law of Delaware and other U.S. states with substantially similar legislative provisions to interpret the BCA and the adoption of non-statutory law of Delaware to interpret the LLC Act;
- Eliminating the requirement of two officer’s signature on filing documents;
- Enabling acknowledgement of filing documents outside Liberia without notarization and apostille;
- Codifying practices of electronic submission of filing documents, provision of shareholders’ and directors’ consent via electronic transmission, etc.;

- Introducing definitions of "beneficial owner," "nominee," "ultimate effective control," and "ultimate ownership" in order to comply with the OECD standards;
- Introducing the deadline for conversion of disabled bearer shares (31 December 2020); and
- Introducing a variety of provisions applicable to public companies.

● The Liberian Registry has a long-established track record of combining the highest standards of safety for vessels and crews with the highest levels of responsive and innovative service to owners. Moreover, it has a well-deserved reputation for supporting international legislation designed to maintain and improve the safety and effectiveness of the shipping industry and protection of the marine environment. www.liscr.com

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