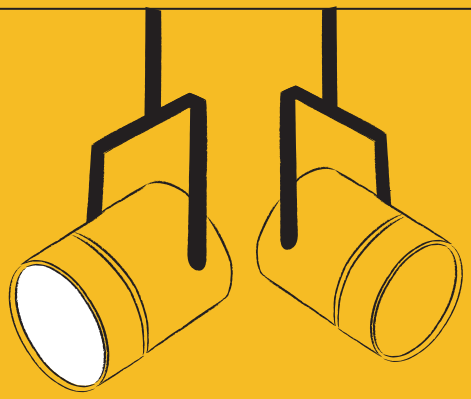


Spotlight

Restoration of Guernsey companies

Guernsey has a statutory regime which governs the process for restoring companies which have been struck off, whether they have been struck off voluntarily, involuntarily, or at the conclusion of a formal winding-up process.

Applications to restore a company are typically made where undistributed assets come to light, where a creditor wishes to make a claim, or where the legal issue that resulted in the company's strike-off or dissolution has been resolved.

The process requires an application to the Royal Court of Guernsey (after putting various public bodies on notice) and must be made within ten years of the date of strike-off or dissolution.

Before making its decision, the Royal Court will consider questions on solvency, economic substance, the circumstances by which the company came to be struck off or dissolved, and whether any directors or liquidators consent to acting in the event of restoration.

KEY FEATURES

- The process for restoration of a Guernsey company is set out in the Companies (Guernsey) Law, 2008
- Prior notice of the application must be served on the Registrar of Companies, HM Procureur (Attorney General), HM Receiver General and, if necessary any liquidator, the Guernsey Financial Services Commission and the Director of the Revenue Service
- Written confirmation of no objection to the application will be presented to the Royal Court as part of the process
- The time limit to bring the application is ten years, but there is also a statutory six-year period from the date of dissolution in which a company is entitled to have assets returned to it (which may be extended upon application)
- The Royal Court may order restoration with any terms, conditions, directions and provisions as the Court thinks fit
- Upon restoration the company will be deemed to have continued in existence
- A company cannot be restored to the register if it was struck off for persistent and/or gross contraventions of the Law
- If the company was struck off in error the Registrar can restore the company administratively – no Court application to restore is necessary
- The Royal Court will not restore a company where doing so would jeopardise the reputation of the Bailiwick as a financial centre

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