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Updates from THE LIBERIAN CORPORATE REGISTRY

FEATURE ARTICLE LIBERIA - A JURISDICTION OF SUBSTANCE

INTRODUCTION

Welcome to this year-end edition of the Registry's quarterly newsletter.

We encourage you to contact us with any of your Corporate requests and questions. We wish you the best for a happy and prosperous 2015.

IN THIS ISSUE

- FEATURE - LIBERIA - A JURISDICTION OF SUBSTANCE
- STREAMLINED FILING PROCESS
- 25 YEARS WITH THE REGISTRY
- LIBERIA ACCORDED WCPFC STATUS
- CONTACT DETAILS

Liberia is one of the world's oldest and most respected jurisdictions used by professionals for the formation of non-resident corporations and the registration of commercial vessels. The Registry was established more than 65 years ago in 1948 with the support of former US Secretary of State Edward Stettinius. One of the main reasons for the Registry's establishment was the need to find a neutral State to register U.S.-built Liberty ships in the name of corporations controlled by non-U.S. Nationals. Shortly thereafter, the ease of administration of Liberian corporations was recognized and extended for use in other industries. This use led to the popularity of Liberian corporations, many of which continue to exist to this day.

There are many reasons why Liberia is selected as the jurisdiction of choice to conduct business and investments globally, some of which include:

- Same day incorporation and first-class service
- One exclusive Registered Agent, which enables professionals to offer Liberian corporations without being required to purchase a license or establish a local office
- No nationality requirement for directors, officers or shareholders
- No mandatory filing requirements for corporate information such as names of Directors, Officers and Shareholders
- A state of the art electronic registry known as eCorp, which facilitates prompt and efficient formation of entities and issuance of documents on a

global basis in real time, without having to wait for an office to open; and

- The Liberian Registry is recognized as the world's largest quality ship registry, and the world's second largest registry in terms of fleet size. The Liberian Registry is recognized at the top of every industry "white list" including the International Maritime Organization and the major Port State Control authorities around the world. The Liberian Ship and Corporate Registries are administered exclusively through the same privately owned organization, LISCR, LLC.

Furthermore, the most important reason why Liberia is the premier jurisdiction of choice is that it stands apart from its competitors as a jurisdiction of substance. This single factor is of prime consideration in today's regulatory environment, where financial institutions and other regulatory bodies are seeking to enforce standards of security and authenticity.

WHAT IS A JURISDICTION OF SUBSTANCE?

A jurisdiction of substance has its statute based on a legitimate country with a body of law which is recognized by the international community. This 'substance' sets Liberia apart from most of its competitors which boast nothing more than a corporate or vessel registry.

Substance matters, especially when it comes to conducting business in today's international and regulatory climate. For example, while Liberia is recognized for administering one of

the world's leading Ship and Corporate Registries, the primary economic activities in Liberia are firmly entrenched in the timber, rubber and agricultural sectors. These sectors account for 63% of the country's GDP. Iron ore has traditionally been a major Liberian export. Foreign investment is driving renewal of this industry. In addition, oil exploration off Liberia's coasts develop as drilling operations led by a number of international companies continue to grow. Resident corporations, those conducting business within Liberia, make up one half of the register's robust index of corporations.

The substance of a jurisdiction includes its people, infrastructure and government, as well as its history. Liberia, Africa's oldest republic, certainly has a legacy of survival despite its moving history of challenges. Today Liberia has reestablished political and economic stability under the dynamic leadership of Africa's first female President, Ellen Johnson-Sirleaf, now serving in her second term and a recipient of the Nobel Peace Prize in 2011.

The substance of a jurisdiction impacts its international standing and ability to negotiate with other countries. Liberia has a well-developed global network of diplomatic missions with capability to support the country's international relations and treaties with its numerous trading partners. Liberia has achieved such recognition in several areas, most notably:

- Leading the world's second largest merchant fleet, Liberia has earned the second largest vote at the International Maritime Organization (IMO), and it currently serves on the IMO Council
- Liberia was the first country to ratify the International Labor Organiza-

tion's Maritime Labor Convention, 2006 (MLC 2006)

- Liberia was the first country in Africa to achieve compliance in the Extractive Industries Transparency Initiative (EITI);
- Liberia was the first country to include timber revenues as part of the EITI program; and
- Liberia is Africa's oldest republic, formed in 1847.

Moreover, a jurisdiction of substance is defined by the existence of a well-established, internationally tested, body of law. The corporate law of Liberia is modeled on the corporate law of Delaware, USA. Liberia is a commercially tested jurisdiction with over 65 years of uninterrupted service. The similarity to Delaware Corporate Law enables lawyers and professional service providers around the world to easily work with Liberian entities, and there is a pool of Liberian attorneys who are regularly employed to issue opinions related to the law.

The substance of a jurisdiction is to be found in its stability and longevity. This foundation allows business professionals to rely on the jurisdiction and to use and invest in it with confidence.

Liberian corporations have been used internationally for more than half a century, making the Liberian Corporate Registry one of the oldest corporate jurisdictions with global presence in the offshore corporate services industry. Based on its history of legal stability, innovation and client-oriented outlook, Liberia is a jurisdiction of substance, one which is recognized worldwide by corporate service professionals.

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"We provide registry services and as such we are not authorized to practice law or render legal opinions. The information contained in this article is for information purposes only and do not constitute legal advice."

STREAMLINED FILING PROCESS

Our June newsletter (<http://bit.ly/1syt9hr>) covered the option for corporations to file documents via email along with the ability to have the signatures of signing officers legalized by the Registry at no additional cost.

We have continued to streamline our filing process. Changes include the following:

- Copies of supporting documents are no longer required. The corporation is responsible for the accuracy of the information provided to the Registrar for filing or for the recordation with the Registered Agent.
- We will accept documents signed by a sole officer. The corporation is responsible for determining which officer(s) must sign a document intended for filing.
- No requirement for submitting draft documents to us for proofing. However, this service will be provided upon request.

As always, Corporate staff are available to assist you with your corporate needs.

In addition, we maintain a list of Certified Service Providers on our website (Link) for when you would like to consult with a professional regarding the drafting and filing of documents as well as other related matters.

Clients wishing to obtain a legal opinion from a lawyer licensed to practice in Liberia can contact clo@lisrcr.com.

ELIZABETH GORALSKI CELEBRATES 25 YEARS WITH THE REGISTRY



One of the benefits of Liberia is the stability of the program. This benefit is partly due to the longtime service of many of our employees. Leading the way in the Corporate Registry is Elizabeth Gorski, Senior Corporate Manager. She started working in the Corporate Department just over 25 years ago. During this time she has interacted with a full spectrum of clients from around the globe.

Elizabeth's vast experiences have made her a valuable repository of Registry information both for staff and clients.

Elizabeth commented about her time with the Registry: *"What I am today is the result of my 25 years with the Registry that embedded in me the character of having self-discipline, commitment and dedication. I cherish this the most and have a great satisfaction from assisting both my colleagues and our wonderful customers."*

Please read her full comments on our blog

(<http://bit.ly/1zcXVV9>). We are very grateful to have her as a coworker and mentor.

LIBERIA ACCORDED WCPFC STATUS

Last week in Samoa, Liberia was accepted as a cooperating non-member (CNM) of the Western and Central Pacific Fisheries Commission (WCPFC). As a CNM, Liberia has been accorded full participation rights allowing reefer vessels registered in Liberia to engage in transshipment activities in the convention area.

Combating illegal, unreported and unregulated (IUU) fishing at national, regional and international levels is important to Liberia, which aims to be proactive and to ensure responsible management of its international fleet of vessels involved in the fishery trades. Under this programme, before registering reefer vessels, Liberia will check that the vessel has no history of IUU activities, issue a transshipment license, have VMS installed in order to monitor and enforce international regulations, and conduct inspections through its global network of maritime inspectors and auditors.

Currently Liberia's transshipment program includes membership with the following Regional Fisheries Management Organizations:

- South Pacific Regional Fisheries Management Organization (SPRFMO)
- Inter America Tropical Tuna Commission (IATTC)
- Commission for the Conservation of Southern Bluefin Tuna (CCSBT)
- Internal Commission for the Conservation of Atlantic Tunas (ICCAT).

We also have membership applications underway for the North East Atlantic Fisheries Commission (NEAFC) and the Indian Ocean Tuna Commission (IOTC).

For more information, please contact transshipment@lisrcr.com.



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