

NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS  
38TH CONSTITUTIONAL REGULAR SESSION, 2017



Republic of the Marshall Islands  
*Jepilpilin Ke Ejukaan*

**ASSOCIATIONS LAW (AMENDMENT) ACT 2017**

AN ACT to amend Title 52 of the Republic of the Marshall Islands Revised Code to further develop the accounting, ownership, and other recordkeeping requirements of the Business Corporations Act, Revised Partnership Act, Limited Partnership Act, and Limited Liability Company Act in order to ensure that such records are kept, that the keeping of such records is monitored and enforced, and that such records are produced as required under the international standard.

BE IT ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS

**§101. Short Title.**

This Bill may be cited as the Associations Law (Amendment) Act 2017.

**§102. Amendments.**

- (1) Section 80 of the Republic of the Marshall Islands Business Corporations Act is hereby amended to read as follows:

§80. Requirement for keeping accounting records, minutes, and records of shareholders.

- (1) *Accounting records.* Every domestic corporation shall keep reliable and complete accounting records, to include correct and complete books and records of account. Accounting records must be sufficient to correctly explain all transactions, enable the financial position of the corporation to be determined with reasonable accuracy at any time, and allow financial statements to be prepared. Additionally, every domestic corporation shall keep underlying documentation for accounting records maintained pursuant to this subsection, such as,

but not limited to, invoices and contracts, which shall reflect all sums of money received and expended and the matters in respect of which the receipt and expenditure takes place; all sales, purchases, and other transactions; and the assets and liabilities of the corporation. A resident domestic corporation shall keep all accounting records and underlying documentation as described in this subsection in the Republic. Upon demand of the registered agent for non-resident domestic entities, every non-resident domestic corporation shall produce all accounting records and underlying documentation required to be maintained pursuant to this subsection to the registered agent for non-resident domestic entities in the Republic. The Minister of Finance or any person designated by him or her under or pursuant to the Tax Information Exchange Agreement (Implementation) Act of 1989 (41 MIRC, Chapter 4) or the Tax Information Exchange Agreement (Execution and Implementation) Act, 2010 (48 MIRC, Chapter 4) may require the registered agent for non-resident domestic entities to demand production of all accounting records and underlying documentation required to be maintained pursuant to this subsection. Additionally, upon formation, ~~or in~~ the case of a corporation existing prior to the effective date of this law, within 360 days of such date, and annually thereafter, an attestation, in a form prescribed by the Registrar for non-resident domestic corporations, will be made by every non-resident domestic corporation, excluding publicly traded companies, to the Registrar for non-resident domestic corporations that accounting records and underlying documentation required to be maintained pursuant to this subsection are being maintained in accordance with this section or, if applicable, that such records are not being maintained (wholly or partially).

- (2) *Minutes.* ~~Every~~ domestic corporation shall keep minutes of all meetings of shareholders, of actions taken on consent by shareholders, of all meetings of the board of directors, of actions taken on consent by directors and of meetings of the executive committee, if any. A resident domestic corporation shall keep such minutes in the Republic.

- (3) *Records of shareholders.*

Every domestic corporation shall keep an up-to-date record containing the names and addresses of all registered

