



**Circular No. 4 of 2016**

**Date: 22<sup>nd</sup> November, 2016**

**Striking off procedures for Companies (Special Licenses)**

This circular is being issued to inform all Companies (Special Licenses) (CSLs) and the respective company secretaries of the procedures to be adopted, with immediate effect in relation to the striking off the Register the name of CSLs under section 305 of the Companies Ordinance, 1972.

**1. Voluntarily resolution of CSL ceasing to carry on business or which is not in operation**

Where a CSL voluntarily resolves to have its name struck off the Register by the Registrar of Companies (ROC), for reasons that it has ceased to carry on business or is not in operation, the company secretary shall notify the Financial Services Authority (FSA) of the fact through a formal notice. Subject to the FSA's satisfaction of the CSL's compliance with the Companies (Special Licences) Act, 2003, the FSA shall notify the ROC, through the company secretary, that the FSA has no objections for the name of the company to be struck off the Register. The company secretary may henceforth liaise with the ROC for the initiation of the striking off process.

Following completion of the striking off process by the ROC, the company secretary shall inform the FSA of the effective date that the name of the CSL was struck off the Register.

**2. Notification from company secretary where it has reasonable cause to believe that a CSL has ceased to carry on business or is not in operation**

Where a company secretary has reasonable cause to believe that a CSL has ceased to carry on business or is not in operation, the company secretary may notify the FSA of the fact through a formal notice. Subject to the FSA's satisfaction of the CSL's compliance with the Companies (Special Licences) Act, 2003, the FSA shall notify the ROC, through the company secretary, that the FSA has no objections for the name of the company to be struck off the Register. The company secretary may henceforth liaise with the ROC for the initiation of the striking off process.

Following completion of the striking off process by the ROC, the company secretary shall inform the FSA of the effective date that the name of the CSL was struck off the Register.

**3. CSL failing to submit annual fees and annual returns and accounts**

Where a CSL fails to comply with Sections 15(1) and 23 of the Companies (Special Licenses) Act, 2003 (i.e. fails to pay its annual fees and submit its Annual Returns & Audited Accounts) for at least 2 consecutive years, the FSA shall inform the CSL of its intention to notify the ROC that it has reasonable cause to believe that the CSL may have ceased to carry on business or is not in operation. Unless the FSA receives a written representation from the CSL to the contrary, the FSA shall notify the ROC of the fact and the ROC may initiate the striking-off process.

Following completion of the striking off process by the ROC, the company secretary shall inform the FSA of the effective date that the name of the CSL was struck off the Register.