

OFFICE OF THE LIEUTENANT GOVERNOR – DIVISION OF CORPORATIONS AND TRADEMARKS
GLOSSARY OF TERM

1. AUTHORITY OVER ENTITY

1.1 Authorized Person – a person who is granted filing rights over a business entity or trade name registration. Authorized person may be the Resident Agent, Attorney-in-fact, Accountant, or service provider hired for such purposes.

1.2 Agent Organization – a business entity who is granted filing rights over another business entity or trade name registration.

1.3 Principal – an owner of the business entity or trade name.

2. BUSINESS ENTITY

2.1 Business Entity Types of Registration

2.1.1 Trade Name – any name other than his own. Within five days prior to the commencement of business in the United States Virgin Islands, every person (sole proprietor), copartnership or association of individuals shall file a trade name registration with the Office of the Lieutenant Governor. A corporation, limited liability company, limited partnership/limited liability partnership, limited liability partnership doing business in the United States Virgin Islands under any name other than that of the business entity name as set forth in the articles, formation or amendments thereto shall be subject to all the provisions of registration requirement for a trade name under Chapter 21, Title 11 of the Virgin Islands Code. Fictitious or pseudo name and doing business as (DBA) also mean trade name.

2.1.2 Profit Corporation – three or more natural persons of lawful age may unite together by articles of incorporation to form a stock corporation, for any lawful business purpose or purposes not excluded from the operation of Chapter 1, Title 13 of the Virgin Islands Code.

2.1.3 Foreign Profit Corporation – a corporation created by the laws of any foreign country or any state of the United States, or the laws of the United States, shall do any business in the United States Virgin Islands through or by branch offices, agents or representatives located in the United States Virgin Islands.

2.1.4 Professional Corporation and Professional Limited Liability Corporation or Company – notwithstanding any other provision of law, one or more individuals duly authorized by law to render the same professional service within the United States Virgin Islands may organize, or cause to be organized, a professional service corporation for

pecuniary profit under Chapter 10, Title 13 of the Virgin Islands Code for the purpose of rendering the same professional service, except that one or more individuals duly authorized by law to practice professional engineering, architecture, landscape architecture or land surveying within the United States Virgin Islands may organize, or cause to be organized, a professional service corporation for pecuniary profit under this chapter for the purpose of rendering such professional services as such individuals are authorized to practice.

(A) A professional service corporation, other than a corporation authorized to practice law, shall be under the supervision of the appropriate licensing authority as set forth in Title 27 and be subject to disciplinary proceedings and penalties, and its certificate of incorporation shall be subject to suspension, revocation or annulment for cause, in the same manner and to the same extent as is provided with respect to individuals and their licenses, certificates, and registrations in Title 27 relating to the applicable profession.

(B) A corporation authorized to practice law shall be subject to the regulation and control of, and its certificate of incorporation shall be subject to suspension, revocation or annulment for cause by the Supreme Court of the Virgin Islands in the same manner and to the same extent provided in the rules of the Supreme Court with respect to individual attorneys.

2.1.5 Foreign Professional Corporation and Foreign Professional Limited Liability Corporation or Company – a foreign corporation containing one or more individuals duly authorized by law to render the same professional service within the United States Virgin Islands or a professional service corporation for pecuniary profit and for the purpose of rendering the same professional service, except that one or more individuals duly authorized by law to practice professional engineering, architecture, landscape architecture or land surveying within the United States Virgin Islands professional service corporation for pecuniary profit under Chapter 10, Title 13 of the Virgin Islands Code for the purpose of rendering such professional services as such individuals are authorized to practice.

2.1.6 Exempt Corporation – a corporation organized in the United States Virgin Islands which meets the requirements of section 852 of Chapter 14, Title 13 of the Virgin Islands Code and an exempt branch as such term is defined in section 853a of the same chapter.

2.1.7 Foreign Exempt Corporation – any corporation that (i) is not a domestic corporation as that term is defined in sections 7701(a)(3) and (4) of the Internal Revenue Code (as it applies in the United States Virgin Islands), and (ii) is not a domestic corporation as that term is defined in section 7701(a)(3) and (4) of the Internal Revenue Code (as it applies in the United States), and (iii) which qualifies to do business in the Virgin Islands pursuant to section 401 of Title 13 of the Virgin Islands Code; or in the case of a foreign limited liability company, registers to do business in the Virgin Islands pursuant to section 2002 of the same Title, or is licensed as an international insurance

company under Title 22, chapter 55, Virgin Islands Code, and (iv) meets the requirements of section 852, chapter 14, Title 13 VIC , and (v) makes an election in accordance with section 853(a)(3) of the same chapter, shall be an exempt branch and shall be treated for all purposes in the same manner as an exempt company. The requirements of clause (ii) above shall not apply to an exempt insurer.

2.1.8 Cooperative Corporation – a corporation composed of ultimate producers or consumers, or both, organized for the purpose of conducting any lawful business primarily for the mutual benefit of its shareholders who may be natural or legal persons, and the earnings, savings or benefits of which are used for the general welfare of the shareholders or patrons or are distributed in the form of cash, stock, evidences of indebtedness, goods, or services, proportionately and equitably among the persons for which it does business upon the basis of the amount of their transactions or participation in production, or both. However, any such corporation may pay out of its net surplus earnings, savings or benefits, not to exceed 5 percent interest upon its capital stock.

2.1.9 Foreign Cooperative Corporation – any foreign corporation, organized under and complying with the cooperative law of the United States Virgin Islands or other jurisdiction of its creation, may use the term “cooperative” in the United States Virgin Islands if it has complied with the laws of the United States Virgin Islands applicable to foreign corporations, in so far as those laws are applicable to it, and if it is doing business on a cooperative basis, as defined in Chapter 7 of Title 13 of the Virgin Islands Code.

2.1.10 Economic Development Corporation – twenty-five (25) or more persons, two-thirds of whom shall be residents of the United States Virgin Islands, who may desire to create an economic development corporation under the provisions of Chapter 13, Title 13 of the Virgin Islands Code, for the purpose of promoting, developing, and advancing the prosperity and economic welfare of the United States Virgin Islands and, to that end, to exercise the powers and privileges hereinafter provided, may be incorporated by filing in the office of the Lieutenant Governor, as hereinafter provided, articles of incorporation

2.1.11 Non-profit Corporation – three or more adult persons, who are bona fide residents of the Virgin Islands of the United States, and who desire to form a corporation for a college, seminary, church, library, or any other benevolent, fraternal, social, religious, educational, charitable or scientific association, whose chief business shall be in the Virgin Islands of the United States.

2.1.12 Alien Corporation – a corporation desiring to acquire of record any personal or real property in the Territory of the Virgin Islands shall have, prior to acquisition, and shall maintain continuously in this Territory during any year thereafter in which the personal or real property is owned by the alien corporation.

2.1.13 Foreign Non-profit Corporation – a corporation created by the laws of any foreign country or any state of the United States, or the law of the United States, that is tax exempt pursuant to Section 501(c)(3) and (4) of the Internal Revenue Code of 1986, as

amended, or established in response to the U.S. Federal Oil Pollution Act of 1990, to provide a national system of regional response centers to respond to major oil spills, shall do any business in the United States Virgin Islands through or by branch offices, agents or representatives located in the United States Virgin Islands.

2.1.14 Trade and Labor Corporation – any number of persons, not less than 5, may associate themselves together and become a body corporate and politic for the improvement of their several social and material interests, the regulation of their wages, the laws and conditions of their employment, the protection of their joint and individual rights in the prosecution of their trades or industrial avocations, the collection and payment of funds for the benefit of sick, disabled or unemployed members, the securing of benefits to the families of deceased members, and for such other and further objects of material benefit and protection as are germane to the purposes of Chapter 9, Title 13 of the Virgin Islands Code.

2.1.15 Foreign Trade and Labor Corporation – a foreign corporation for the improvement of their several social and material interests, the regulation of their wages, the laws and conditions of their employment, the protection of their joint and individual rights in the prosecution of their trades or industrial avocations, the collection and payment of funds for the benefit of sick, disabled or unemployed members, the securing of benefits to the families of deceased members, and for such other and further objects of material benefit and protection as are germane to the purposes of Chapter 9, Title 13 of the Virgin Islands Code.

2.1.16 Limited Partnership and Domestic Limited Partnership – a partnership formed by two or more persons under the laws of the Virgin Islands and having one or more general partners and one or more limited partners.

2.1.17 Foreign Limited Partnership – a partnership formed under the laws of any state other than the Virgin Islands and having as partners one or more general partners and one or more limited partners.

2.1.18 Limited Liability Partnership – a partnership that has filed a statement of qualification under section 221 of Title 26 of the Virgin Islands Code and does not have a similar statement in effect in any other jurisdiction.

2.1.19 Foreign Limited Liability Partnership – a partnership that:
(A) is formed under laws other than the laws of the Virgin Islands; and
(B) has the status of a limited liability partnership under those laws.

2.1.20 Limited Liability Limited Partnership –
(A) a partnership formed by two or more persons under the laws of the Virgin Islands and having one or more general partners and one or more limited partners; and

(B) has filed a statement of qualification under sections 221 and 574 of Title 26 of the Virgin Islands Code and does not have similar statement in effect in any other jurisdiction.

2.1.21 Foreign Limited Liability Limited Partnership –

(A) a partnership formed under the laws of any state other than the Virgin Islands and having as partners one or more general partners and one or more limited partners; and

(B) has the status of a limited liability limited partnership under those laws.

2.1.22 Limited Liability Company – a limited liability company organized under Chapter 15, Title 13 of the Virgin Islands Code.

2.1.23 Foreign Limited Liability Company - an unincorporated entity organized under laws other than the laws of the Virgin Islands which afford limited liability to its owners comparable to the liability under section 1303 of Title 13 of the Virgin Islands Code and is not required to obtain a certificate of authority to transact business under any law of the Virgin Islands other than Chapter 15 of the same title.

2.2 Certificates

2.2.1 Certificate of Fact – a certification under the signature of the Lieutenant Governor confirming a business entity's existence in the United States Virgin Islands. The certificate of fact is not for use for a business entity's status.

2.2.2 Certificate of Good Standing – a certification under signature of the Lieutenant Governor confirming all annual reports are filed and all taxes and fees are paid to the Office of the Lieutenant and the business entity's status is active/ in good standing. Business entities except for a trade name and have a status of active/in good standing may obtain a certificate of good standing.

2.3 Registration and Management

2.3.1 Corporations

2.3.1.1 Incorporator – a natural person of lawful age who may unite with others by articles of incorporation to form a stock corporation or non-profit corporation.

2.3.1.2 Officers – president, vice president, secretary, treasurer, assistant secretary, and other officers as designated by the directors.

2.3.1.3 Director – a natural person of lawful age along with others form a Board of directors that shall manage the business of every corporation organized under Chapter 1, Title 13 of the Virgin Islands Code, except as hereinafter or in its articles of incorporation otherwise provided. The Board of directors consists of chairman, vice chairman and other directors.

2.3.1.4 Shareholders and Stockholders – a natural person of lawful age owning stock or shares in a corporation.

2.3.2 Limited Liability Companies

2.3.2.1 Organizer – one or more persons may organize a limited liability company.

2.3.2.2 Manager – a person, whether or not a member of a manager-managed company, who is vested with authority under section 1301 of Title 13 of the Virgin Islands Code.

2.3.2.3 Manager-managed company – a limited liability company which is so designated in its articles of organization.

2.3.2.4 Member-managed company – a limited liability company other than a manager-managed company.

2.3.3 Limited Partnerships/Limited Liability Limited Partnerships and Limited Liability Partnerships

2.3.3.1 General Partner – a person who has been admitted to a limited partnership as a general partner in accordance with the partnership agreement and named in the certificate of limited partnership as a general partner.

2.3.3.2 Limited Partner – a person who has been admitted to a limited partnership as a limited partner in accordance with the partnership agreement.

2.3.3.3 Partner – a limited or general partner.

2.4 Service of Process

Resident Agent – an officer of the corporation, or an individual resident in, or a corporation located in the United States Virgin Islands on whom service of legal process against the corporation can be made.

3. UNIFORM COMMERCIAL CODE (UCC)

3.1 Collateral – the property subject to a security interest or agricultural lien. The term includes:

- (A) proceeds to which a security interest attaches;
- (B) accounts, chattel paper, payment intangibles, and promissory notes that have been sold; and
- (C) goods that are the subject of a consignment.

3.2 Debtor –

- (A) a person having an interest, other than a security interest or other lien, in the collateral, whether or not the person is an obligor;
- (B) a seller of accounts, chattel paper, payment intangibles, or promissory notes; or
- (C) a consignee.

3.3 Secured Party –

- (A) a person in whose favor a security interest is created or provided for under a security agreement, whether or not any obligation to be secured is outstanding;
- (B) a person that holds an agricultural lien;
- (C) a consignor;
- (D) a person to which accounts, chattel paper, payment intangibles, or promissory notes have been sold;
- (E) a trustee, indenture trustee, agent, collateral agent, or other representative in whose favor a security interest or agricultural lien is created or provided for; or
- (F) a person that holds a security interest arising under § 2–401, 2–505, 2–711(3), 2A-508(5), 4–210, or 5–118, Title 11A of the Virgin Islands Code.