

Business license

All legal entities require a business license in order to conduct business in Aruba according to the Ordinance on the Establishment of Businesses. The business license is issued by the Director of the Department of Economic Affairs after the Chamber has been heard.

The Chamber will base its advice on its guidelines to the Business Establishment Ordinance, which are drawn up to support the Chamber's policy in this matter. The guidelines are reviewed each year and adapted if necessary. Important factors taken into consideration are:

- whether the business activity is in conformity with the Chamber's guidelines, premised on sustainable development;
- whether the business activity contributes positively to the Aruban economy and its diversification;
- whether the business activity will fortify and/or boost local entrepreneurship.

This advice is not binding.

Dissolution of NV's

Dissolution of a legal person such as a NV may take place in various forms. The entity itself may decide to dissolve the corporation, or the Court of First Instance may reach such a verdict, either due to bankruptcy, or - as is the legally established option since January 2009 by modification of the Code of Commerce - upon a petition by the Chamber. This petition may be based on the corporation not complying with its legal obligations regarding the annual contribution, or having no managing director registered, in both cases for at least a year.

In all cases of dissolution, proper following of procedures is important, including those for the liquidation. Finally, this process should be duly concluded by registering the keeper of the corporation's documents for the legally established period of time, after the dissolution process is finalized. More information on dissolution is available in our flyer "Dissolution of Aruban Corporations", available at the Chamber or online on our website www.arubachamber.com

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This flyer contains only limited information and does not cover all aspects of the subject.

Some important changes to the NV-clauses are expected to be implemented as per Januari 1, 2011.

If you need more information, please contact Business Information & Support at the Aruba Chamber.

Aruba Chamber of Commerce & Industry

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Naamloze Vennootschap Corporation according to Aruban law



Aruba Chamber of Commerce & Industry

Chamber of Commerce & Industry Aruba

The Chamber was officially designated as the representative body of trade and industry in Aruba on September 8, 1930.

The Aruba Chamber is an autonomous public law institution that provides advice to the Minister of Economic Affairs - both on request and on its own initiative - on issues of economic, financial & general nature. The Chamber also provides bonafide information and support services to the Aruban business community and potential entrepreneurs and investors.

In addition to these obligations the Aruba Chamber is also responsible for administering and supervising two public registers, namely the Trade and the Foundations' Registers.

Naamloze Vennootschap

The *Naamloze Vennootschap*, abbreviated NV, is a Corporation, according to Aruban law. At least two founders, whether natural or legal persons are needed to incorporate a NV. The authorized capital is distributed in shares. The company's shares may or may not be registered to certain owners, which makes them freely transferable.

The founders are the initial shareholders, but after incorporation other shareholders can participate in the issued capital as well. The shareholders have limited liability.

There is no legal requirement as to the nationality or residency of the shareholders. They may be represented by a proxy before the civil law notary. If a non-resident wants to establish a NV, a trust or management company can handle the incorporation process and may also provide for

Incorporation

The NV is incorporated by a civil law notary, who provides the deed of incorporation together with its articles of incorporation, which is drawn up in the Dutch language. The notary submits a draft of the deed to the Minister of Justice together with a request for a Ministerial Declaration of No Objection. Once this has been granted and the notary has duly executed the Deed of Incorporation, the NV legally exists.

The Deed of Incorporation should include:

Name of the NV, provided that it should either start or end with the words "*Naamloze Vennootschap*", or with the abbreviation thereof, NV;

Statutory seat must be situated in Aruba;

Object of the company;

Duration of the company, is it time bound or continuous;

Authorized capital;

Par value per share of the capital stock;

Number of shares for which each of the founders has subscribed and the amount to be paid up on these shares at the time of incorporation;

Name(s) of the managing director(s).

Registering the NV

It is mandatory to register the NV in the Trade Register at the Aruba Chamber within 7 days after incorporation. Next to the deed of incorporation and its articles of incorporation, it is also required to file the address and object of the NV, managing & supervisory directors and other legal representatives, if applicable. Upon registration is also required to file the investment made in the NV on a separate form. This information will remain confidential. Any changes in the data mentioned above is to be filed in the Trade Registry.

Capital

The shares have a nominal value and are determined in the articles of incorporation. When incorporating the NV, the authorized share capital must be at least 50.000 Aruban florins (US\$ 27.933). Participation of the founders must equal at least 20% hereof. Consequently, the minimum issued share capital is fixed at 10.000 florins (US\$ 5.587). At least 10% of the issued share capital must be paid up on the shares at time of incorporation by shareholders.

If the authorized capital is not fully issued, the NV must report its issued capital every six months until the authorized capital is completely paid up. When issuing shares which are not fully paid up, names of shareholders are to be filed in the Trade Registry together with the share ownership and the deposited value. Adaptations must be filed once every six months.

Organs of the NV

The most influential organ in the NV is the General Assembly of Shareholders (*Algemene vergadering van Aandeelhouders, (AVA)*). The managing director(s) is (are) appointed and dismissed by the AVA. Managing directors can be natural persons or legal entities. The board of the managing directors represents the NV, defines business policy and manages its affairs. Limitations to this authorization can be stated in the articles of incorporation.

The articles of incorporation of the NV may also provide for the institution of a supervisory board of directors (*Raad van Commissarissen (RvC)*), to oversee the managing directors. Unless the articles of incorporation determine otherwise, the supervisory board is appointed by the AVA.