

1 AN ACT

2  
3 to amend Title 36, Chapter 2, of the Republic of the Marshall Islands Revised Code to  
4 implement a record keeping requirement in the Marshall Islands Foreign Investment  
5 Business License Act, in order to ensure that all business entities are required to maintain  
6 records to a level of detail consistent with the international standard.  
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9 BE IT ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS:  
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11  
12 Section 1. Short Title

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14 This Bill may be cited as the Foreign Investment Business License (Amendment) Act,  
15 2015.  
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17 Section 2. Amendment to the Foreign Investment Business License Act

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20 (1) The Marshall Islands Foreign Investment Business License Act is hereby amended by  
21 inserting a new section as follows:

22 **§207A. Requirement for keeping records.**

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24 (1) *Accounting records.* Every non-citizen granted a foreign investment business  
25 license pursuant to this Chapter shall maintain reliable and complete accounting records, to  
26 include correct and complete books and records of account. Accounting records must be  
27 sufficient to correctly explain all transactions, enable the financial position of the non-citizen to  
28 be determined with reasonable accuracy at any time, and allow financial statements to be  
29 prepared. Additionally, every non-citizen granted a foreign investment business license pursuant  
30 to this Chapter shall keep underlying documentation for accounting records maintained pursuant  
31 to this section, such as, but not limited to, invoices and contracts, which shall reflect all sums of

1 money received and expended and the matters in respect of which the receipt and expenditure  
2 takes place; all sales, purchases, and other transactions; and the assets and liabilities of the non-  
3 citizen.

4 (2) *Record of ownership.* Every non-citizen granted a foreign investment business  
5 license pursuant to this Chapter shall keep an up-to-date record containing the names and  
6 addresses of all owners.

7 (3) *Form of records.* Any records maintained by a non-citizen in the regular course of  
8 its business may be kept on, or be in the form of, punch cards, magnetic tape, photographs,  
9 microphotographs, or any other information storage device, provided that the records so kept can  
10 be converted into clearly legible written form within a reasonable time. Any non-citizen shall so  
11 convert any records so kept upon the request of any person entitled to inspect the same. When  
12 records are kept in such manner, a clearly legible written form produced from the cards, tapes,  
13 photographs, microphotographs, or other information storage device shall be admissible in  
14 evidence, and accepted for all other purposes, to the same extent as an original written record of  
15 the same information would have been, provided the written form accurately portrays the record.

16 (4) *Retention period.* All records required to be kept, retained, or maintained under  
17 this section shall be kept, retained, or maintained for a minimum of five (5) years.

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19 (2) The Marshall Islands Foreign Investment Business License Act is hereby amended as  
20 follows:

21 **§208A.** Civil Penalty.

In addition to the provisions of section 208 and 211 of this Chapter, any person who violates a provision of this Chapter shall be liable to a monetary penalty in an amount not exceeding ten thousand dollars (\$10,000).

**Section 3. Effective Date**

This Bill, and all Acts contained herein, shall take effect in accordance with the Constitution and the Rules of Procedures of the Nitijela.

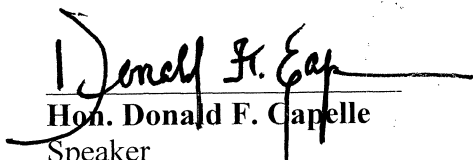
**CERTIFICATE**

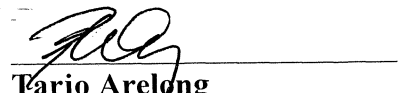
**I hereby certify:**

- 1. That Nitijela Bill No: 64 was passed by the Nitijela of the Republic of the Marshall Islands on the 7<sup>th</sup> day of January, 2015; and
- 2. That I am satisfied that Nitijela Bill No: 64 was passed in accordance with the relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of Procedures of the Nitijela.

I hereby place my signature before the Clerk this 30<sup>th</sup> day of January, 2015.

Attest:

  
 Hon. Donald F. Capelle  
 Speaker  
 Nitijela of the Marshall Islands

  
 Tarjo Arelong  
 Clerk  
 Nitijela of the Marshall Islands