

## Special License (CSL)

### Key Facts

#### INTRODUCTION

The Seychelles “Company Special License” (Seychelles CSL) is a domestic Limited Company granted further “Special License” by the Seychelles International Business Authority granting it special tax status.

#### GENERAL

- Location – Seychelles is located in the Indian Ocean 1500 km east of Africa
- Legal System – Common Law/Civil Law Hybrid
- Official Languages – English (Business), Creole, French
- Political Stability – excellent
- Seychelles is a 100% independent Democratic Republic

#### COMPANY LEGISLATION

- Companies Act 1972
- Companies “Special Licenses” Act 2003

#### TYPE OF COMPANY

Limited Company (w/ “Special License”)

#### NAMES

- Must be in English or French
- Names must end in “Limited”

#### PERMITTED ACTIVITIES

The Seychelles CSL may be used for the specific provisions indicated in the Seychelles Company (Special Licenses) Act 2003 unless otherwise given express permission to engage in some other business by the Seychelles International Business Authority. These include the following:

- Undertaking the business of investment management and advice
- Offshore banking (a separate banking license is required)
- Offshore insurance and re-insurance (a separate insurance license is required)
- Investment services
- Marketing
- Intellectual property holding
- Franchise
- Human resources
- Headquarters or holding company
- Any other activity approved by the Authority

### SHARE CAPITAL

- Standard “authorized capital” is US\$10,000
- Minimum issued capital is 10% of authorized capital
- Shares can be issued in any currency

### SHAREHOLDERS

- A minimum of two shareholders are required
- Corporate shareholders permitted
- Nominee shareholders permitted
- Shareholders may be resident or non-residents of Seychelles
- Shares may be issued with PAR Value, without PAR Value, preference, ordinary, redeemable (may require further licensing)

### DIRECTORS

- A minimum of two Directors are required
- A maximum of twenty Directors are allowed
- No Corporate Directors allowed
- May be of any Nationality
- Meetings may be held anywhere in the world, including Seychelles and may be conducted by telephone or electronic means

**Note:** in order to access the DTA Agreements entered into by Seychelles it is recommended to have at least a majority of the Directors resident in Seychelles.

### COMPANY SECRETARY

- Corporate Secretary is permitted
- Local Company Secretary is mandatory and is part of our standard services
- Company must adopt a corporate seal

### PUBLIC FILINGS

- Identities of Shareholders/Beneficial Owners and Directors are not public, but are required to be reported to SIBA (the regulator)
- Annual audited accounts are filed with SIBA but are not public

### REGISTERED AGENT & OFFICE

- Seychelles Registered Agent is required and must be named in the Memorandum
- Seychelles Registered Office is required and is usually provided by the Registered Agent

### REDOMICILIATION

- A company in good standing in another jurisdiction or a Seychelles IBC is permitted to continue its existence as a Seychelles CSL
- A Seychelles CSL in good standing may continue its existence in another country

### GOVERNMENT COSTS

There is a non-refundable US\$210 application fee paid to the Seychelles International Business Authority.

Upon approval, Government licensing fees and taxes are a flat US\$1150 for the first year and \$1075 each subsequent year and are due on the anniversary date of the incorporation of the company on a yearly basis

### TAXATION

Seychelles CSLs are subjected to 1.5% income tax on worldwide assessable income. **The effective tax rate is often 0%** due to allowed credit for taxes withheld in a DTAA partner country. There are no withholding taxes for dividends, royalties, interest or capital gains paid to non-residents.

### BI-LATERAL TREATIES

- Seychelles has 13 fully ratified Double Tax Avoidance Agreements with Barbados, Belgium, Botswana, China, Cyprus, Indonesia, Malaysia, Mauritius, South Africa, Thailand, United Arab Emirates, Vietnam and Zambia
- Seychelles CSLs enjoy full access to the Seychelles DTA Agreements

### CORPORATE BOOKS & RECORDS

- Companies must maintain a Register of Directors, Register of Shareholders, Minute Book and copies of Resolutions; these are maintained by the Company Secretary
- Required to file annual audited returns (not public though)

### TIME TO INCORPORATE

- Applications are generally processed within 2 weeks
- Incorporation time is 2 days upon approval of the application
- Shelf Companies are not allowed

### STANDARD DOCUMENTS & SERVICES

- "Special License"
- Certificate of Incorporation
- Memorandum of Association
- Articles of Association
- Minutes of initial organizational meeting
- Particulars of Registered Office
- Confirmation from a Seychelles lawyer that all requirements have been met
- Customized share certificates (up to 5; extras billed at \$10/each)
- Preparation of Registers of Directors & Shareholders
- Banking Resolution (if applicable)

## FEE SCHEDULE

<b>Formation Fees</b> (non-refundable)	US\$
<b>Formation &amp; Licensing Application Fees</b> Due diligence of up to 2 connected parties, drafting of all formation documents, assistance with CSL licensing applications disbursements (phone, copy and fax) and communications with SIBA until a final decision is made.	1500
<b>Government Application Fees &amp; Taxes</b>	210
<b>Annual Fees</b>	
<b>Registered Office &amp; Local Secretary</b> Providing the statutorily required Registered Office and Company Secretary, safe custody of registers, preparation and filing of annual returns	1200
<b>Government Licensing Fees &amp; Taxes (1st and 2nd year)</b>	1150/1075
<b>1st Year Total</b>	4060
<b>2nd and Subsequent Years</b> Note: an annual return filing fee of \$210 is payable to the Seychelles International Business Authority on an annual basis.	2275

## FEE SCHEDULE

OTHER SERVICES	US \$
Individual Director (each)	From 650
Nominee Shareholder (corporate)	200
Notarisation of documents (1 or 1 set with a single cover page)	75
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Issuance of a Notarized Limited Power of Attorney	150
Issuance of a Certificate of Incumbency	95
Issuance of a Certificate of Good Standing (from Registrar)	75
Preparation and submitting documents for opening of a bank account – minimum	400
Voluntary Liquidation – subject to assets involved and complexity	1 200
Resolutions – standard, template driven; otherwise hourly rates	75
Bank Administration – charged on an hourly basis	
Company Administration – charged on an hourly basis	
Bookkeeping/Accounting Services – \$100/hour	
Auditing Services – charged on an hourly basis; usually 1000 – 2000 depending on the number of transactions	

## GENERAL FEE INFORMATION

- Fees billable in advance upon formation and annually thereafter
- Fees are generally not refundable due to the nature of the services
- Work performed in addition to the items listed is generally billed at our hourly rates in 6 minute increments. Time spent is billed in arrears either monthly, semi-annually or annually depending on the scope and volume of work
- Hourly Rates  
Senior Personnel/Directors – US\$200/hour  
Junior Personnel – US\$100/hour
- Disbursements billed in addition
- Special transaction fees may be applicable for work of a particularly onerous, time critical, high value or otherwise exceptional nature
- All fees are subject to annual review and may be changed with 30 days notice
- We may be able to negotiate fixed rates for variable costs based on expected work volume

**Note:** *as a general rule, any special fees outside of the normal agreed scope of work will be discussed with each client prior to work performed*