

Advantages & Benefits of Seychelles IBCs:

The Seychelles International Business Company (based on the classic Bahamas and British Virgin Islands IBC Model), is a tax-free corporation designed for use in all forms of international trading and investment activities.

With no reporting requirements, minimal record-keeping obligations, and unparalleled privacy features the Seychelles IBC has risen in stature to become one of the most sought after IBCs in the International Financial Services World.

Unlike the historically popular Caribbean (and Channel Islands) IBC Centres (most of which, as British Colonial territories, are facing enormous pressure to bring their privacy features and tax rates into line with the rest of Europe) Seychelles is a **politically stable** and **independent** republic and has signed NO Tax Information Sharing Treaties.

Key Benefits of the Seychelles IBC include:

- **It's Inexpensive:** An annual operating license fee of only \$100 only is payable to government (regardless of the amount of the IBC's stated maximum authorized share capital)
- **Speedy Incorporation:** A Seychelles IBCs can be incorporated within 24 hours and name checks are regularly turned around in as little as 4 hours
- **Unparalleled Privacy:** There is no public register of Shareholders, Directors or beneficial owners in Seychelles and ownership privacy is guaranteed by law
- **Nominee Shareholders and Directors are permitted:** A Nominee may act as the Shareholder and/or Director of a Seychelles IBC
- **Another IBC can act as Nominee:** Another Offshore Company can be engaged to act as Nominee Shareholder or Director of a Seychelles IBC thereby **doubling** the IBC's privacy protection!
- **Bearer Shares are permitted:** Shares may be issued either to a named shareholder or to an unnamed "Bearer" as an added privacy shield (ie he who holds the share certificate/s owns the Company) and there is no restriction of movement on Bearer shares. Unlike BVI, Panama, Belize etc anyone can hold the bearer share certificate/s - the bearer share certificate/s does *not* have to be held by an approved custodian
- **No Reporting Requirements:** There is no requirement to file Accounts nor Annual Company Returns for Seychelles IBCs. This results in less cost per year in real terms and added privacy as the Company's asset holdings and financial records remain confidential
- **Zero Taxes:** Apart from a minimal annual license fee Seychelles IBCs pay no taxes whatsoever in Seychelles and there is no stamp duty or other taxes levied when shares in a Seychelles IBC are transferred or sold. This is guaranteed by law for 20 years from the date of the IBC's incorporation
- **Cost Effective Litigation Insurance:** As it is nearly impossible to determine the owner of a Seychelles IBC (or whether an IBC owns any assets) litigators are reticent to pursue a Seychelles IBC through the Courts
- **Secure Offshore Banking:** Considering Seychelles status as a premier privacy haven a Seychelles IBC can be confidently utilized as a vehicle by which to securely bank or hold funds Offshore. Additionally Seychelles "White" list status with the OECD makes the Seychelles IBC fortuitously acceptable to a wide range of International Banks

- **No US or EU IRS Interference:** Seychelles is a stable independent republic, has no economic ties with the US or the EU and, (unlike the BVI and many of our competitors) Seychelles **HAS NOT SIGNED** any tax information sharing agreements whatsoever
- **Convenient Time Zone:** At + 4 GMT timezone Seychelles is extremely convenient to clients based in the UK, Europe and the major Asian Business Centres
- **Flexible Business Vehicle:** A Seychelles IBC can be established quickly and easily, requires only one shareholder and director and can carry on a wide range of activities as of right (ie without necessarily having to go down the road of obtaining special business licenses)
- **Political Stability:** Seychelles has a stable democratically elected government and has seen little change in its political climate in the past 30 years

The Seychelles IBC - Key Facts

Seychelles IBCs Uses

The Seychelles IBC is commonly used:

- As a vehicle to safely and discreetly hold investments including real estate, shares and intellectual property
- For commercial transactions and international trading operations
- As Oil and Commodity trading vehicles
- As a forex, options, futures and/or share trading vehicle
- As an asset protection vehicle
- For import/export activities
- As a vehicle with which to gain access to alternative investments including pre IPO offerings & private/hedge funds
- As a consultancy and/or personal services business entity

Directors

- Only one director is required
- Corporate directors are permissible
- A Seychelles resident director is not required
- There are no publicly accessible records of directors
- Directors meetings can take place anywhere
- Directors may vote at meetings by proxy
- Directors may attend meetings via telephonic or other electronic means
- No special qualifications or experience is required to Direct a Seychelles IBC
- A Seychelles IBC is not required to call an Annual General Meeting ("AGM")

Shareholders

- Only one shareholder is required as a minimum
- A Seychelles resident shareholder is not required
- Shareholders meetings can take place anywhere
- Shareholders may attend meetings via telephonic or other electronic means
- Shareholders may vote at meetings by proxy
- There are no publicly accessible records of shareholders
- A Seychelles IBC is not required to call a Shareholders AGM

Underlying (Beneficial) Company Owners

- There is no publicly accessible record of beneficial owners
- Shares may be held by a nominee as Trustee for and on behalf of the underlying beneficial company owner

Company Secretaries

- It is not compulsory to appoint a Company Secretary
- Seychelles IBC documents do not have to be co-signed by a Company Secretary

Share Capital

- There is no limit to the amount of share capital that an IBC is authorized to raise
- There is no minimum paid up share capital requirement (though in practice \$US1 minimum is commonly applied)
- Authorised share capital can be stipulated in any currency (US is standard)
- Registered shares or Bearer shares are permissible
- IBCs may be limited by shares or limited by guarantee or both (ie Hybrid Companies)

Authorised Share Capital

- A Seychelles IBC can have unlimited authorized share capital for the same fixed price of \$100 p/a without having to pay any additional filing fees
- This government fee applies to all Seychelles IBCs irrespective of the amount of the IBC's authorized capital, paid up capital or volume (and value) of shares issued
- Compare this to similar IBC jurisdictions (see chart below) where an IBC is commonly only permitted up to \$US50,000 maximum authorized share capital before a higher registration fee is levied (and where the basic fixed price can be as much as \$350 p/a)
- With the exception of Seychelles, only in the BVI is the minimum annual licence fee *not* pegged to a limitation on authorized capital
- However, in BVI: (a) the capitalisation is restricted to a minimum number of shares (50'000), regardless of the face value of each share & (b) The annual licence fee is considerably more expensive.

COUNTRY	ANNUAL LICENCE FEE	MAXIMUM AUTHORIZED CAPITAL PERMITTED
Seychelles	\$ 100	No limitation
Samoa	\$ 300	\$ 1'000'000
St.Vincent	\$ 100	\$ 100'000
Dominica	\$ 150	\$ 100'000
Nevis	\$ 220	\$ 100'000
Belize	\$ 100	\$ 50'000
Anguilla	\$ 230	\$ 50'000
Bahamas	\$ 350	\$ 50'000
Cayman Islands	\$ 600	\$ 50'000
Panama	\$ 300	\$ 10'000
Cook Islands	\$ 300	\$ 5'000

Share Types

Shares may be divided into such number of classes and series as the Directors may determine and any class or series of shares may be issued including:

- No par value shares
- Voting shares or non-voting shares or both
- Unnumbered shares
- Shares that may have more or less than one vote per share
- Shares that carry voting rights only when held by persons who meet specified requirements
- Shares that carry voting rights only in relation to certain matters or only upon the occurrence of certain events
- Shares that entitle participation only in certain assets
- Common shares, preference shares and redeemable shares

Accounts and Returns

- An IBC is only required to keep such accounts and records as the Directors consider necessary or desirable in order to reflect the financial position of the company
- There is no requirement to file annual Accounts
- There is no requirement to audit any Accounts that may be kept
- Any Accounts created are not publicly accessible
- There is no requirement to file an Annual Company Return

IBC Names

- A wide range of name endings can be used to denote incorporation and limited liability including usual international standards such as "Limited", "LTD.", "Corporation", "Corp.", "Incorporated", "Inc.", "Société Anonyme", "S.A.", "Namloze Vennootschap", "Berhad", "GmbH" etc. See Section 11 (1) of the International Business Companies Act (which is accessible from the "Our Services" section of our Reseller website) for the complete list of name endings that may be used
- The following words can NOT be used as part of an IBC name: "Assurance", "Bank", "Trust", "Building Society", "Cooperative", "Chamber of Commerce", "Chartered", "Insurance", "Imperial", "Municipal" or "Foundation" (or any word the same as the name of a Seychelles island or which suggests the patronage of any Government)
- The registry will not approve a name which is already in use nor any proposed name which so nearly resembles the name of another company as to be calculated to deceive, (except where the other company gives its consent)
- Any name deemed by the Registrar to be indecent, offensive or misleading may not be used
- The Registry has also indicated that the following words may not be acceptable as part of an IBC name: "Casino", "Fund", "Securities", "University", "Educational", "Health", "Empire", "Estate", "Games", "Treasury" etc
- An IBC name can be registered in any language (provided a translation into English or French is provided) and in any alphabet (provided a transliteration into English or French is provided)

Continuation

- Seychelles IBCs can be continued OUTSIDE of Seychelles as an IBC
- An IBC formed outside of Seychelles can migrate to Seychelles and be continued here as a Seychelles IBC

IBC Freedoms and Prohibitions

- Seychelles IBCs are ONLY permitted to do business outside of Seychelles however they can:
 - a) make or maintain deposits with a person carrying on business within Seychelles
 - b) make or maintain professional contact with counsel and attorneys, accountants, bookkeepers, trust companies, management companies, investment advisers or other similar persons carrying on business within Seychelles
 - c) prepare or maintain books and records within Seychelles
 - d) hold, within Seychelles, meetings of their directors or members
 - e) hold a lease of property for use as an office from which to communicate with members or where books and records of the company are prepared or maintained
 - f) hold shares, debt obligations or other securities in a company incorporated under the International Business Companies Act or under the Companies Act

- g) hold bonds, treasury bills and other securities issued by the Government of Seychelles or the Central Bank of Seychelles
 - h) have shares, debt obligations or other securities in a company owned by any person resident in Seychelles or by any company incorporated under this Act or under the Companies Act; or
 - i) own or manage a vessel registered in the Republic under the Merchant Shipping Act, or an aircraft, so registered under the Civil Aviation Act, 1949 (Overseas Territories) Order 1969.
- An IBC is prohibited from carrying on the business of banking, insurance or reinsurance, and cannot provide registered office facilities in Seychelles for other companies
 - A Seychelles IBC cannot own Seychelles real estate

Annual Operating License Fees

- The annual operating licence fee for a Seychelles IBCs falls due for payment on the day before the anniversary of the company's incorporation date
- If payment is not made by that date penalties are applied as follows:
 - a) If the company does not renew its licence on the due date (ie. by the day before the anniversary date), on the anniversary date the licence fee increases by 10%
 - b) However, if the fee is not paid within 90 days of the due date, the licence fee increases by 50%
- There is no other penalty payable, unless the company is struck off. In this case, the restoration fee payable is US\$300 if the company is restored within 6 months of the date of striking off
- After 6 months, the restoration fee increases to US\$600. (In addition to the restoration fee, the company will need to pay all outstanding licence fees and penalties for each year that it was not renewed)
- Striking off occurs each year on 1 January. A striking off will occur where a company fails to pay its licence fee (and penalties) on or before the next ensuing 31 December provided this date falls not less than an aggregate of 180 days after the company's licence fee due date (ie. the day prior to its incorporation anniversary date)
- An IBC can be restored to Good standing any time up until 10 years from the date of its striking off

Miscellaneous

- A Seychelles IBC must have a registered office and licensed Registered Agent in Seychelles
- A Seychelles IBC has the same powers as a natural person, including the right to sue and be sued. It is a separate legal entity with limited liability and has perpetual existence
- Anyone can act as the subscriber to the IBC's Memorandum & Articles of Association (the Subscriber does not have to be a shareholder or director)
- The rights of a subscriber are limited to the appointment of the first Director/s
- You are allowed to file bilingual Memo & Arts documentation in English (or French) and any other language
- An IBC must keep a Share Register & Register of Directors

- A copy of the Registers may be kept at the Registered Office of the company, or at such other place as the Directors may determine
- A Seychelles IBC's tax free status extends to transfers of property to or by the company, and to any transaction in respect of the shares, debt obligations or other securities of the IBC
- An IBC is also required to keep: (i) minutes of all meetings of the Directors, Shareholders and any Committees & (ii) copies of all resolutions consented to by the Directors, Shareholders and any Committees. Such records maybe kept at the Registered Office of the company, or at such other place as the Directors may determine
- By law any document signed by a Seychelles IBC/Director DOES NOT have to be signed under or using a Company stamp or seal
- All exemptions applicable to a Seychelles IBC are legally guaranteed to remain in force for a period of twenty years from the date of incorporation of the IBC
- A Seychelles court can order that any attempt by a foreign government to seize the shares of or other interest in a Seychelles IBC be disregarded awarding rights of priority to the shareholder/s

For fees and relevant updates please visit this link:

<http://www.cclogic.com/offshore-company-formation/Seychelles-Company-Formation.html>