

SEYCHELLES Jurisdictional Guide



GENERAL INFORMATION

Seychelles is made up of a group of 155 of the most scenic islands in the world, situated between 480 km and 1.600 km off the east coast of Africa, 4 degrees south of the equator. The islands from an archipelago in the Indian Ocean of legendary beauty and range from granite rock islands with lush vegetation to coral atolls that barely rise out of the sea. The country's main island of Mahé, is home to the international airport and the capital, Victoria.

Seychelles is ideally situated between the major trade and manufacturing channels of Asia, Europe and Africa, allowing Seychelles to offer a unique platform for investment into these key global areas.

As an independent democratic Republic, within the British Commonwealth, with a stable political environment, Seychelles benefits from government policies that actively foster local and foreign investment.

The Seychelles International Business Company (IBC) is the most popular and versatile type of offshore corporation available in the Seychelles. It is a tax-free corporate vehicle designed for engagement into all forms of international business, with no reporting and minimum record-keeping requirements and comprehensive confidentiality features.

Since the introduction of the Seychelles International Business Companies Act in 1994, over 100.000 Seychelles IBCs have been registered, with more than 600 new offshore companies being added to the registry every month.

Seychelles also offers attractive investment fund and foundations regimes through the Mutual Funds and Hedge Fund Act of 1998 and the Foundations Act of 2009, respectively.

COUNTRY INFORMATION

Population	90,000
Location	Africa
Language	French, English, Seselwa Creole French
Time zone	4 hours ahead of GMT
Currency	Seychelles Rupee (CSR)

CORPORATE INFORMATION

Basic Characteristics

Legal Form	International Business Company (IBC)
Legislation	Seychelles International Business Companies Act 1994
Regulatory Authority	Seychelles International Business Authority (SIBA)
Types of Companies	<ul style="list-style-type: none">• International Business Companies (IBC)• Special License Companies (CSL)• Protected Cell Companies (PCC)
Due Diligence	Certified copy of passport and copy of proof of address for beneficial owners and senior officers

COMPANY INFORMATION

Company Name

Language	English or French The use of other foreign character names is permitted in appropriate circumstances and should be accompanied by a translation (in English or French) to ensure that the name is not restricted.
Name Endings denoting Limited Liability	“Limited”, “Corporation”, “Incorporated”, “Société Anonyme”, “Berhad”, “Namloze Vennootschap” and their abbreviations.
Name Restrictions	Any name identical or similar to the name of any other existing company, or any name indecent, offensive or objectionable or misleading or suggesting patronage of the Republic of Seychelles or the Government of the Republic of Seychelles or any other country.
Names Requiring Consent or Approval	Assurance, Bank, Building Society, Chamber of Commerce, Trust, Chartered, Cooperative, Imperial, Insurance, Reinsurance, Surety, Casualty, Indemnity, Guarantee, Municipal, Foundation, Trust Corporation, Trustee Company, Trustee, Savings, Savings and Loan.

Authorised Shares

Standard Currency	US\$
Permitted Currencies	Any
Minimum Share Issue	No minimum
Classes of Shares Permitted	Registered shares, shares of no par value, preference shares, redeemable shares and shares with or without voting rights
Bearer Shares* ¹	Not Allowed

*¹ Bearer Shares were essentially abolished from all Seychelles IBCs by the Seychelles International Business Companies (Amendment) Act of 2013. Any bearer shares that had not been recalled and cancelled by 15 June 2014 are now considered null and void and of no legal effect.

Directors	
Minimum Number	One (physical or legal)
Register of Directors*	Yes (must be maintained at the registered office of the IBC)
Local Director Required	No
Publicly Accessible Records	No
Location of Meetings	Anywhere

Shareholders	
Minimum Number	One (physical or legal)
Register of Members* ²	Yes (must be maintained at the registered office of the IBC)
Local Required	No
Publicly Accessible Records	No
Location of Meetings	Anywhere

Secretary	
Required	No. Optional (Physical or legal. Any nationality)

Local Requirements	
Registered Office/Agent	Yes

Accounts* ²	
Required to Prepare	Yes <ul style="list-style-type: none"> sufficient to show and correctly explain the IBC's transactions
Audit Required	No
Required to File Accounts	No
Publicly Accessible Accounts	No

Recurring Government Costs	
Annual Tax/ License Fee	US\$100 irrespective of Authorized Capital

*² The Seychelles International Business Companies (Amendment) Act of 2013 specified that every Seychelles IBC must provide to its Registered Agent an Annual Declaration in relation to its accounting records and Registers of Members and Directors/Officers.

Taxation	
Income Tax / Profit	Nil <ul style="list-style-type: none"> • Dividends, interest, rent, royalties, compensation and/or other amounts paid by the company • Capital Gains realized with respect to any shares or debt obligations of the company
Stamp Duties	Nil
Currency Controls	No

SEYCHELLES INTERNATIONAL TRUSTS

General

The International Trusts Act 1994 established a regime for international trusts in the Seychelles and does not provide for domestic trusts. The Act was drafted after a thorough study of current practice in a number of leading offshore jurisdictions. Under the Act, SIBA is appointed as the regulatory body for trusts, alongside the Court.

Key Features

The following are some of the key features of the Seychelles Trust regime:

International Trust	<p>An international trust may be created in writing, by will or by oral declaration. Deemed trusts are admitted, as are those resulting from a decision of the Court.</p> <ul style="list-style-type: none"> • Purpose Trusts are permitted; • The settlor must reside outside the Seychelles for the duration of the trust; at least one trustee must reside in the jurisdiction, but this trustee may be an IBC, which shall not thus be deemed as resident; an IBC may therefore be a settlor; • The trust property may not include any Seychelles movable or immovable property • The names of settlors and beneficiaries are confidential under the Act, unless a Court orders disclosure under the Anti-money Laundering Act; • The standard perpetuity period is 100 years; but it does not apply to purpose trusts; • The accumulation of income is permitted; • Forced heirship judgements are specifically excluded.
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Taxation

An international trust is exempt from tax in the Seychelles; a registration fee of \$100 is payable to SIBA. Registration of trusts must be carried out by one of the two licensed trustees currently operating in the Seychelles.

Secrecy

There are no specific statutory provisions governing secrecy in relation to companies but English Law, which applies within the jurisdiction, does impose a common law duty on professionals to keep the affairs of their clients confidential.

SEYCHELLES FOUNDATIONS

General

The Seychelles Foundation is a separate legal entity. Once the founder transfers assets to a foundation, those assets become the sole property of that foundation with full legal and beneficial title and do not form part of the founder's personal estate.

The assets of a Seychelles Foundation cannot include any immovable property in Seychelles. The foundation may however hold interests in Seychelles IBCs, Limited Partnerships and Seychelles licensed mutual funds. It may also hold an interest or entitlement as a beneficiary under Seychelles Trust or another Seychelles Foundation.

A Seychelles Foundation may be used for a host of purposes, but it is not intended to engage in commercial activities on a daily basis. However, there are no restrictions on the trading activities of companies wholly or partly owned by the Foundation.

The beneficiaries of a foundation have no legal or beneficial interest in the foundation's assets and these do not become the assets of a beneficiary unless distributed in accordance with the Foundation Charter or Regulations.

It is permitted for a foundation to appoint a protector, whose role it is to oversee the administration of the foundation by the Foundation Council. A founder, beneficiary or councillor may be appointed as a protector, provided that the protector is not the sole councillor or sole beneficiary. The Foundation Council must consist of one or more persons which may include body corporates.

An application to register a Foundation with SIBA must be submitted through a locally licensed foundation service provider.

Key Features

Seychelles Foundations

- The Foundation Charter establishes the Foundation and administrative provisions may be extended by regulations which are not available for public inspection
- Nominee founders are permitted
- A foundation must have initial assets of a value of not less than US\$1
- A foreign foundation may be continued in the Seychelles

SEYCHELLES MUTUAL FUNDS AND HEDGE FUNDS

General

International Funds find a new home in Seychelles tax efficient and straightforward but thorough regulation making Seychelles a desirable modern jurisdiction from which to operate unit trusts and other investments vehicles for clients in the Middle East, India, China, the Far East as well as South Africa and markets further afield. Seychelles is strategically placed as an investment centre for the growing wealth around the Indian Ocean.

Fund administration flexibility

Seychelles' funds may be administered in Seychelles or in a recognised foreign jurisdiction, under a tax-efficient environment, introduced by the Mutual Fund & Hedge Fund Act 2008.

Professional Funds

Regulatory requirements have been adapted to suit all types of funds. A contemporary touch is to provide for hedge fund licenses with a lighter regulatory touch. These are referred to as “Professional Funds”, where licenses are restricted to professional investors, individuals and corporate, each making an initial investment of not less than US\$100.000 or its equivalent.

Private Funds

Funds, which will have no more than 50 investors, possibly a family or an investment club, and which do not permit an invitation to the public to subscribe, are another important category and referred to as “Private Funds” making Seychelles ideal for Private Unit Trusts and other investment vehicles.

Public Funds

Public Funds, offered to the public for subscription, represent an important opportunity for those funds which sell their units to retail customers to enjoy the advantages of being registered in Seychelles and to enjoy dedicated economic management.

Exempt Foreign Funds

An important attraction of Seychelles is to allow foreign funds which are already licensed in a Recognised Jurisdiction (listed in the Act) to be granted an exemption from a Seychelles license provided they are managed by a Seychelles-licensed fund administrator and listed on a stock exchange in a Recognised Jurisdiction, or where the minimum investment by each investor is not less than US\$100.000.

Exempt Foreign Funds appeal to established fund managers looking for an attractive and congenial jurisdiction from which to operate their fund.

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NOTE:

The information contained in this publication is accurate as at the date of its publication and is not intended to be exhaustive nor a substitute for proper professional advice. Please contact our company for consultation. We look forward to assessing your individual business plans and requirements and recommending the right solution for your unique needs.