



SEYCHELLES INTERNATIONAL BUSINESS AUTHORITY

# Application Guidelines for a Special License Company

The information contained in these Guidelines are to be read with the Companies (Special Licenses) Act, 2003 and serve for reference purposes only and may be updated if and when required.

Seychelles International Business Authority  
P.O. Box 991,  
Victoria, Mahé,  
Seychelles

**CONTENT OF THIS APPLICATION GUIDELINES**

1. Introduction.....	3
2. Background.....	3
i. Administration and Regulation of the Act.....	3
ii. Scope of the Act.....	3
iii. Management of the Company.....	4
iv. Meetings and resolutions.....	4
v. Annual return.....	4
vi. Revocation of license.....	4
vii. Continuation of an IBC or foreign company.....	4
viii. Continuation outside of Seychelles.....	5
ix. Taxation.....	5
x. Exemption.....	5
xi. Secrecy.....	5
xii. Name reservation.....	5
xiii. Fees.....	6
3. Application Requirements.....	6
i. Covering Letter.....	6
ii. Application Form.....	6
iii. Declaration Certificate by the Directors and Secretary.....	7
iv. Business Plan.....	7
v. Submission of Due Diligence Documents.....	7
vi. Personal Questionnaire Form.....	7
vii. Application Fees.....	7
viii. Memorandum and Article of Association.....	8
ix. Other Documents.....	8
4. Approval Process.....	8
i. Submission of documents to Registrar of Companies.....	8
ii. Issuing of Special License.....	8

## 1. INTRODUCTION

This Guide to Applying for a Special License under the Companies (Special Licences) Act, 2003 has been prepared to ensure that information about the above license is readily available to those interested. As well as outlining the process of applying for a Special License, the guide specifies the criteria against which the Seychelles International Business Authority (SIBA) conducts its assessment of applicant companies.

The Guide provides a summary of the Act and also explanations to the application requirements expected from an applicant when providing the necessary information that has to be submitted in the following documents:

- An Application Form
- Declaration Certificates by the Directors and Secretaries and of Registered Address
- A Business Plan
- Submission of due diligence documents

Additional copies of Application forms, as well as the Companies (Special Licences) Act, 2003 can be obtained by logging onto the SIBA website at [www.siba.net](http://www.siba.net).

Please direct any questions, or requests for documents, to:

Seychelles International Business Authority  
P.O. Box 991  
Roche Caiman, Mahe  
Republic Of Seychelles

Tel: +248 380 800  
Fax: +248 380 888  
Email: [siba@seychelles.net](mailto:siba@seychelles.net)

## 2. BACKGROUND

The Companies (Special Licences) Act (CSL) allows companies to be incorporated under the Companies Act 1972 with special provision providing a measure of confidentiality and a low tax status. The CSL satisfies disclosure requirements and have access to the country's double taxation agreements.

### 2.1. Administration and Regulation of the Act:

The Act is administered and regulated by SIBA described in the Act as the Authority. The incorporation is made by the Registrar of Companies appointed under the Companies Act 1972. Note: the difference from International Business Companies which are incorporated by the Registrar of International Business Companies created for that purpose by the International Business Companies Act 1994.

### 2.2. Scope of the Act

The Act may be used by those companies for the businesses stated in Schedule 1. However, the list is not restricted to only the types of companies specified in the Schedule, as there is provision for any other business to be conducted under a Special License as long as the intended business activity receives approval by SIBA.

This requires the Memorandum to be specific: a general trading type of objects clause is not enough. Furthermore, although the objects can be one or more of the specified activities, a mixture of specified and unspecified objects will not be allowed. The limitation is contained in Section 4.

### **2.3. Management of the company**

There shall be at least two individual directors. There is no provision for companies to be appointed as directors. The secretary must be resident in Seychelles who will be responsible for submitting and authenticating signatures on all documents which are submitted to the Authority. Acceptance by the Secretary of any document is considered acceptance by the company.

### **2.4. Meetings and resolutions**

Meetings by shareholders and directors may be conducted by telephone or any other electronic means providing that each is able to hear and recognise each other. All resolutions may be consented to in writing, telex, cable or e-mail.

### **2.5. Annual return**

The annual returns and accounts must be sent to the Authority ONLY not more than 90 days at the end of each financial year.

### **2.6. Revocation of licence**

It is clear that the Authority is the responsible body as the Authority that has the ability in the event of any misconduct of any director, officer, manager or agent of a company, to serve notice of the Authority's intention to revoke the special licence issue under Section 9. This will mean that the company can no longer carry on business although it will remain incorporated. This revocation may also occur if the business is illegal or which is likely to harm the reputation of Seychelles or the company fails to comply with any condition which the Authority might attached upon the issuance of the licence. The company will be given one month to make representation to the Authority. The company may within 90 days of the notice make application to the Supreme Court for relief against that notice. If the Special License Company chooses to ignore the rights to appeal then its special licence will be revoked after 90 days.

### **2.7. Continuation**

An International Business Company (IBC) incorporated in Seychelles or a company incorporated outside of Seychelles may continue as a Special Licensed Company. The necessary documents that are required for this purpose are the following:

- The Articles of Continuation written either in English or French and certified by the Secretary shall contain:
  - The name of the company and the name under which it is to be continued
  - The jurisdiction under which it is incorporated
  - The date on which it was incorporated
  - The amendments to its memorandum and articles, or their equivalent, that are to be effective upon the registration of the articles of continuation.
- An application in the prescribed form. Please refer to the section Application Requirements for further detail.

On approval, the Authority forwards the documents, other than those containing the names and addresses of shareholders, together with a Certificate of Approval and the particulars required to be submitted under section 5, to the Registrar who will on registration, issue a Certificate of Continuation. Such a certificate is evidence in respect of continuation under the Companies (Special Licenses) Act, 2003 and a company may continue notwithstanding any laws to the contrary in the jurisdiction where it was first incorporated.

Upon receiving Certificate of Continuation, the company will cease to be an IBC or as a company incorporated elsewhere but property invested in it continues as does the company's liabilities. Further provisions are provided in connection with the shares and the Memorandum and Articles of Association of a company continued in Seychelles. Amendments must be made within two years.

## **2.8. Continuation outside Seychelles**

This is possible subject to the limitations in the Memorandum and Articles of Association. Continuation outside Seychelles does not absolve the company from its liabilities despite the fact that the Registrar should strike the name off the Company Register.

## **2.9. Taxation**

The rate of tax payable by a Special License Company in respect of its taxable income is 1.5%, assessed on global income. However, Section 19 and Part IV of the Business tax Act shall not apply to a Company Special License.

## **2.10. Exemptions**

A Special License Company is exempt from the following:

- Stamp duty
- Exchange control
- Import duty on furniture and equipment, excluding motor vehicles
- Social security payments
- Expatriate employees in respect of fulfilling the administrative requirements of the registered office are exempt from gainful occupation permit fees

These exemptions shall remain in force for a period of ten years from the date of incorporation and thereafter shall remain in force unless a written law in the future provides otherwise.

## **2.11. Secrecy**

An oath of secrecy in a prescribed form is required by every person with knowledge relating specifically to the shareholding of a Special License Company. No unauthorized persons shall disclose any information contained in any document relating to the performance and duties to be conducted under the Companies (Special Licenses) Act, 2003, except for proceedings under the Penal Code, Anti-Money Laundering Act or the Business Tax Act. Contravention of these provisions can result in a fine not exceeding SR 10,000 or three years imprisonment or both.

## **2.12. Name Reservation**

Upon an application to reserve a name, the Authority, may do so by issuing a letter stating the name so reserved. However, as the Special License Company is incorporated under the Companies Act, 1972, the name will have to be reserved with the Registrar of Companies. This SIBA will undertake by making a request to the Registrar of Companies.

## **2.13. Fees**

These are provided in Schedule 3, which are the following:

- An application for Incorporation: US\$ 200.00
- Annual License Fee: US\$ 1000.00
- Annual return Filing fee: US\$ 200.00

### 3. APPLICATION REQUIREMENTS

When making an application for a Special License under the Companies (Special Licenses) Act, 2003, the Applicant Company will have to submit the following documents and information:

- Covering Letter
- Application Form
- Declaration Certificates by the Directors and Secretaries and of Registered Address
- A Business Plan
- Submission of due diligence documents
- Personal Questionnaire
- Fees
- Memorandum and Articles of Association
- Other Documents

**NOTE:** *Ensure that all blank spaces are filled out and are completed in INK and CAPITAL LETTERS. No question should be left unanswered*

#### 3.1. Covering Letter

For every application for a Special License, the documents listed below must be accompanied by a covering letter. This letter must specifically state the documents (and the number of copies) that have been submitted to the Authority.

#### 3.2. Application Form

The application form has been designed in such a way as to fulfil the information that is requested to be submitted in accordance with the application procedures set out in section 5 of the Companies (Special Licenses) Act, 2003. The information requested is the following:

- a) Name and contact details of the Secretary
- b) Registered address of the Applicant Company
- c) Names and addresses of Directors
- d) Name and contact details of Company's auditors
- e) Name and contact details of Company's legal advisor
- f) Name and contact details of the beneficial owners and / or shareholders of the Company. If the shares are held by nominee, please provide the name(s) and address(es) of the person(s) on whose behalf the shares are held by the nominee.
- g) Information regarding the Share Capital

### 3.3. Declaration Certificate by the Directors, Secretary and of Registered Address

In accordance with section 6 of the Companies (Special Licenses) Act, the directors and the secretary have to consent in writing that they are to act in the capacity of directors and secretary to the Special Licence Company. Furthermore, the directors and secretary have to consent that they are not disqualified to conduct their duties and responsibilities, as per section 165 of the Companies Act.

A form has been created which directors and the secretary can fill out to fulfil their obligation to provide written consent. Please note that the Declaration Certificates have to be completed in full.

### 3.4. Business Plan

The business plan will give the Authority a general overview of the business activity that the applicant proposes to conduct under a Special License. The Business Plan should include the following information:

- Objective of the company
- The type of activity the Applicant proposes to engage in.
- Three year cash flow forecasts
- Market details
- Marketing strategy
- Initial working capital
- Date of proposed commencement of business
- If the company proposes to operate an office in the Seychelles, please provide additional information relating to:
  - i. Capital investment details
  - ii. Employment requirements
  - iii. Communications
  - iv. Logistic requirements
  - v. Any other relevant information

### 3.5. Submission of Due Diligence Documents

For every director, secretary, beneficial owner and / or shareholder the following certified true copies would have to be submitted when applying for a Special License Company:

- Certified true copy of passport
- Certified proof of residential address
- Certified true copies of original bank references
- Copy of Curriculum Vitae (CV)

### 3.6. Personal Questionnaire Form

Part of the due diligence process, the Authority requests all directors, beneficial owners and / or shareholders to fill out a personal questionnaire form. Instructions for filling out the form are provided on the form itself.

### 3.7. Application Fees

When making an application for a Special License, **the Application for Incorporation Fee of US\$ 200** has to be submitted. The Authority will not process any application documents if that fee has not been received.

### 3.8. Memorandum and Articles of Association

The objects as stated in the Memorandum shall be limited to the carrying out of any one or more of the activities specified in Schedule 1 of the Companies (Special Licenses) Act, 2003. These, together with the Articles of Association have to be submitted to the Authority in **triplicate**.

### 3.9. Other Documents

Further to the above, the applicant company will have to submit the following document:

- If the company is a subsidiary of a foreign entity, or continuing from another jurisdiction, submit audited accounts of the most recent financial year
- A Declaration of Compliance by a notary practicing in Seychelles certifying that the Memorandum and Articles of Association comply with the Companies Act, 1972.
- Articles of Continuation (If applicable)

## 4. APPROVAL PROCESS

### 4.1. Submission of documents to Registrar of Companies

Once all the information has been received, the Authority will issue a Certificate of Approval, confirming that all the documentation submitted is to the Authority's satisfaction. Thereafter, SIBA will send the following documents in triplicate to the Registrar of Companies for processing:

- The memorandum and articles of association,
- The names and addresses of the directors
- The name and addresses of the secretary
- The address of the registered office of the company
- The name reservation certificate (if applicable)
- Declaration Certificate of Directors
- Declaration Certificate of Secretary

PLEASE NOTE THAT INFORMATION RELATING TO THE BENEFICIAL OWNERSHIP SHAREHOLDING OF THE COMPANY WILL **NOT BE SUBMITTED** TO THE REGISTRAR OF COMPANIES. THIS INFORMATION WILL BE RETAINED BY THE AUTHORITY AND IS PRESERVED IN SECRECY AS PER SECTION 22 OF THE COMPANIES (SPECIAL LICENSES) ACT, 2003.

Under section 7(1) of the Companies (Special Licenses) Act, 2003, the Registrar of Companies may retain and register the memorandum and articles of the Applicant Company. Upon registration of these, the Registrar will issue a Certificate of Incorporation. This certificate will be picked up from the Registrar by a member of SIBA staff.

### 4.2. Issuing of Special License

When the Registrar of Companies has issued the certificate of incorporation, SIBA will thereafter issue a Special License under section 9(1) of the Companies (Special Licenses) Act, 2003.