



Buttar & Associates

*1/F, Mau Lam Commercial Building,
16-18 Mau Lam Street, Yau Ma Tei,
Kowloon, Hong Kong
Telephone: (852) 2736.4745
Facsimile: (852) 2375.6513
Email: info@buttar.hk
Website: www.buttar.hk*

Cayman Islands

I. INTRODUCTION

The Cayman Islands consists of a group of three islands in the Caribbean. The main Island, Grand Cayman, is situated approximately 1,150 kilometers south of Florida. The population is approximately 40,000.

The economy of the Islands is strong, enjoying full employment with most of the revenue being derived from the financial services sector and tourism. Cayman Islands are a favored jurisdiction for Mutual Funds and financial services. The reputation and popularity of the Cayman Islands has increased significantly, particularly in Asia, as it is approved by the Stock Exchange of Hong Kong for public listings in Hong Kong.

II. LEGAL

The Cayman Islands is a British colony. The Company Law of the Cayman Islands is based on the English Companies Act of 1948 and can be found in the Cayman Islands Companies Law of 1960, as amended.

There are three types of Cayman companies; The Exempted and the Non-resident and Resident. Only one director is required and corporate directors are permitted. A copy of the Register of Directors and Officers must be filed with the Companies Registrar in Cayman Islands. However there is no requirement to file details of the directors publicly. - Non-resident company requires a more detailed annual return than an Exempted Company and as such, have not gained great favor in Asia.

- Resident company carries on business primarily in the Cayman Islands.*
- Exempted Company names do not have to end with the suffix "Limited" and it may be expressed in any language, (ie. Chinese characters) so long as its English translation is provided.*

III. COMPANY INFORMATION

Shareholders

A minimum of one shareholder is required who also can be the director. No details of the shareholders need to be filed publicly but details of the beneficial owner must be disclosed to the registered agent. Bearer shares are permitted and the certificates must only be held by approved custodians.

Directors

Only one director is required and corporate directors are permitted. A copy of the Register of Directors and Officers must be filed with the Companies Registrar in Cayman Islands. However there is no requirement to file details of the directors publicly.

Authorized and issued capital

Usual authorized capital is USD50,000; divided into 50,000 common voting shares USD1. (This being the maximum for the minimum capital duty payable to the Registrar of Companies) The minimum issued share capital is one share of no par value or one share of par value.

Annual Reporting

There is no requirement to file accounts. However an annual return becomes the form of a simple declaration of a director and must be filed to the Registry.

Taxation

There is no form of taxation in the Cayman Islands relating to individuals, corporations or trusts. All Exempted Companies are exempted from tax in Cayman Islands and may also apply for 20 years tax exemption certificate.

Local Requirements

The company must have a registered office address and agent in Cayman Islands provided by a licensed service provider.

While Buttar & Associates has made every effort to ensure that the information included herein is up to date and accurate, we do not accept any responsibility for any inaccuracy, and we recommend that appropriate professional advice be taken before purchasing any company.