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Seychelles – International Business Companies (IBCs)

I. INTRODUCTION

The Seychelles group of islands in the Indian Ocean comprises over one hundred named islands, most being situated between four and five degrees South of the equator. The largest island is Mahé.

The Seychelles has a population of around 80,000, descended primarily from French settlers, Africans, British sailors and traders from India, China and the Middle East.

Discovery of the Islands is credited to the Portuguese explorer Vasco de Gama. The first French settlement was established on St. Anne Island on the 27th August 1770.

The official languages are English, French and Creole. Creole is spoken widely. English is the main language of business. The currency is Seychelles Rupee.

II. LEGAL

In 1814 the Seychelles, along with Mauritius, were ceded to Great Britain under the terms of the Treaty of Paris. It was only in 1960 that the first gradual constitutional reforms were introduced.

The Head of State is the President and a National Assembly of directly elected Members heads the legislative side of Government. Seychelles is an independent republic within the British Commonwealth.

The Seychelles legal system is based on English Common Law and French Civil Law. The principal corporate legislation governing the IBCs is the International Business Companies Act 1994.

III. INFRASTRUCTURE & ECONOMY

The Seychelles economy is primarily tourism and fishing based. Industrial fishing is on the increase.

The rapidly expanding financial sector, linked to the establishment of the Seychelles International Business Authority and a suite of progressive laws facilitating the establishment of offshore structures and encouraging inward investment, is now a significant element of the economy.

An ever-increasing number of international banks and insurance companies have established either branches or subsidiaries whom, together with local management, accounting and legal firms provide clients with support.

The Port of Victoria is well equipped with modern cargo handling equipment and has more than 6,000 square metres of covered storage space.

The Seychelles International Airport is one of the finest in the Indian Ocean region. In addition to the national flag carrier, Air Seychelles, the airport is served by a number of other airlines.

IV. COMPANY INFORMATION

Shareholders

A minimum of one shareholder is required, who may be natural persons or corporate entities.. They may be of any nationality and need not be resident in the Seychelles. No details of the shareholders need to be filed publicly but a register of shareholders must be kept at the registered office address of the company in Seychelles. Nominee shareholders are permitted.

Shares permitted include: Bearer shares, Registered shares, shares of no par value, preference shares, redeemable shares and shares with or without voting rights.

Directors

Only one director is required and corporate directors are permitted. They may be of any nationality and need not be resident in the Seychelles.

Company Secretary

A Seychelles IBC need not appoint a company secretary, although it is customary to do so. The secretary may be a natural person or body corporate, be of any nationality and need not be resident in the Seychelles.

Authorised And Issued Share Capital

*Seychelles IBCs incorporated by us are normally with an authorised share capital of USD5,000,000 with par value. The Government fee for incorporation of an IBC with the Registrar under this Act will be a standard fee of USD100 upon the registration, **irrespective of the share capital**. The authorised share capital may be expressed in any currency. The minimum issued capital is either one share of no par value or one share of par value.*

Annual Reporting

There is no requirement to file any annual returns, accounts, or financial statement.

Taxation

IBCs are exempted from taxation on business activities or transactions carried outside of the Seychelles.

Language of Name

The name can be in any language, but must be accompanied by a translation in English or French. The documentation will either be in English, or it is possible to have bilingual documentation in English and Chinese or any other language accompanied by a translation in English or French.

Local requirements

An IBC is required to have a registered office and agent within Seychelles. However, there are no legal requirements for a local company secretary, local director, local shareholder, and local meetings to take place. There are also no legal obligations to file any particulars of the directors of the shareholders with the public registrar.

Procedure to incorporate

IBC's are incorporated by submission of the Memorandum and Articles of Association together with the registration fee to the Registrar. The IBC's name would have to be approved by the Registrar prior to filing the memorandum and articles of Association.

The client will receive the following set of documents:

- *Original of Certificate of Incorporation*
- *Original of Memorandum and Articles of Association*
- *Resolution by the subscribers appointing directors*

Restrictions on trading

- *Cannot trade within the Seychelles.*
- *Cannot own real estate in the Seychelles.*
- *Cannot undertake the business of banking, insurance, reinsurance or trust activities.*

Powers of company

An IBC has all the powers of a natural person.

Suffixes to denote Limited Liability

Limited, Corporation, Incorporated, Société Anonyme or their abbreviations. A wide variety of other suffixes such as BV, GmbH, and SARL may also be used.

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.