



**FINANCIAL SERVICES
AUTHORITY**

The FSA's History

- Founded in 1994 as the Seychelles International Business Authority (SIBA)
- SIBA's role was to monitor, supervise and co-ordinate the conduct of international business activities from within the Seychelles
- SIBA was also responsible for the promotion of international business activities



The FSA's History

- In 2014, SIBA was replaced by the FSA
- The FSA focuses on the regulation of non-bank financial services
- The promotion mandate of SIBA has since been transferred to the Seychelles Investment Board (SIB)



FSA's mandate

- Section 4 of the FSA Act provides a dual function for the FSA:
 - **Regulatory:** FSA is responsible for the licensing and supervision of the non-bank financial services industry of the Seychelles.
 - **Registry:** FSA is responsible to administer the Registry legislations (i.e. act as the Registrar for certain legal entities and arrangements).

FSA's mandate

➤ Section 4 of the FSA Act provides other responsibilities:

- **Development:** Develop the financial services industry in Seychelles
- **Capacity Building:** Develop a system of continuing education for industry practitioners, with the assistance of other institutions, in order to maintain integrity and professionalism in the industry.
- **Educate:** Inform and educate the general public on its functions and on matters relating to or affecting any financial services business

Legislations under FSA's Administration

1. International Trade Zones Act, 1994
2. International Corporate Service Providers Act, 2003
4. Limited Partnerships, 2003
5. Companies (Special Licences) Act, 2003
6. Protected Cell Companies Act, 2003
7. Securities Act, 2007
8. Mutual and Hedge Funds Act, 2008
9. Insurance Act, 2008

Legislations under FSA's Administration

10. Foundations Act, 2009
 11. Financial Services Authority Act, 2013
 12. Hire Purchase and Credit Sale Act, 2014
 13. Seychelles Gambling Act, 2014
 14. International Business Companies Act, 2016
 15. AML-CFT Act, 2020
 16. Beneficial Ownership Act, 2020
 17. Trusts Act, 2021
- + a number of Regulations and Codes

Activities we regulate

The FSA supervises and regulates

- Fiduciary Sector
- Capital Market Sector
- Collective Investment Schemes Sector
- Insurance Sector
- International Trade Zone Sector
- Gambling Sector
- Hire Purchase and Credit Sales



The FSA Licenses

International Corporate Service Providers Act, 2003

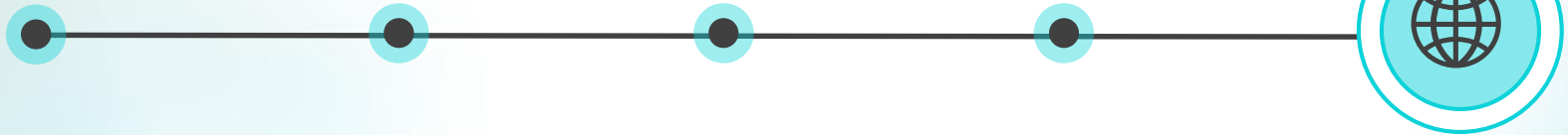
- International Corporate Services Provider
- Trustee Service Provider
- Foundation Service Provider

International Trade Zone Act, 1995

- Redistribution
- Light - Assembly
- Manufacturing
- Processing
- Export Services

Securities Act, 2007

- Securities Exchange
- Securities Facility
- Clearing Agency
- Securities Dealer
- Securities Dealer Rep
- Investment Advisor
- Investment Advisor Rep.



The FSA Licenses

Mutual Fund and Hedge Fund Act, 2008

- Fund Administrator
- Private Fund
- Professional Fund
- Public Fund
- Approval for foreign funds and foreign fund administrator

Insurance Act, 2008

- Domestic Insurer
- Non-Domestic Insurer
- Insurance Manager
- Principal Insurance Representative
- Insurance Broker
- Insurance Sub-agent

Seychelles Gambling Act, 2014

- Casino
- Slot Machine
- Interactive Gaming



The FSA Licenses

FSA (Regulatory Sandbox Exemption) Regulations, 2019

- Innovative eligible financial services (which enjoy exemptions from certain licensing, disclosure & reporting requirements under the Securities Act

Hire Purchase and Credit Sales Act, 2013

- Hire Purchase
- Credit Sale

Companies (Special Licences) Act, 2003

- Special Licence



Licensing Process

The licensing framework provides clear sets of licensing criteria and requirements for the processing of applications for a licence, authorization or approval in line with internationally accepted norms of best practice

Internal Controls

- Risk Management
- Internal Audit
- Compliance function

Corporate Governance

- Composition and function of the Board of Directors

Proposed Activity

- In line with legislative framework
- Soundness of Business Plan

Suitability of Persons

- Customer Due Diligence
- Personal Questionnaire
- Fit and Propriety of applicant (qualifications experience and integrity)

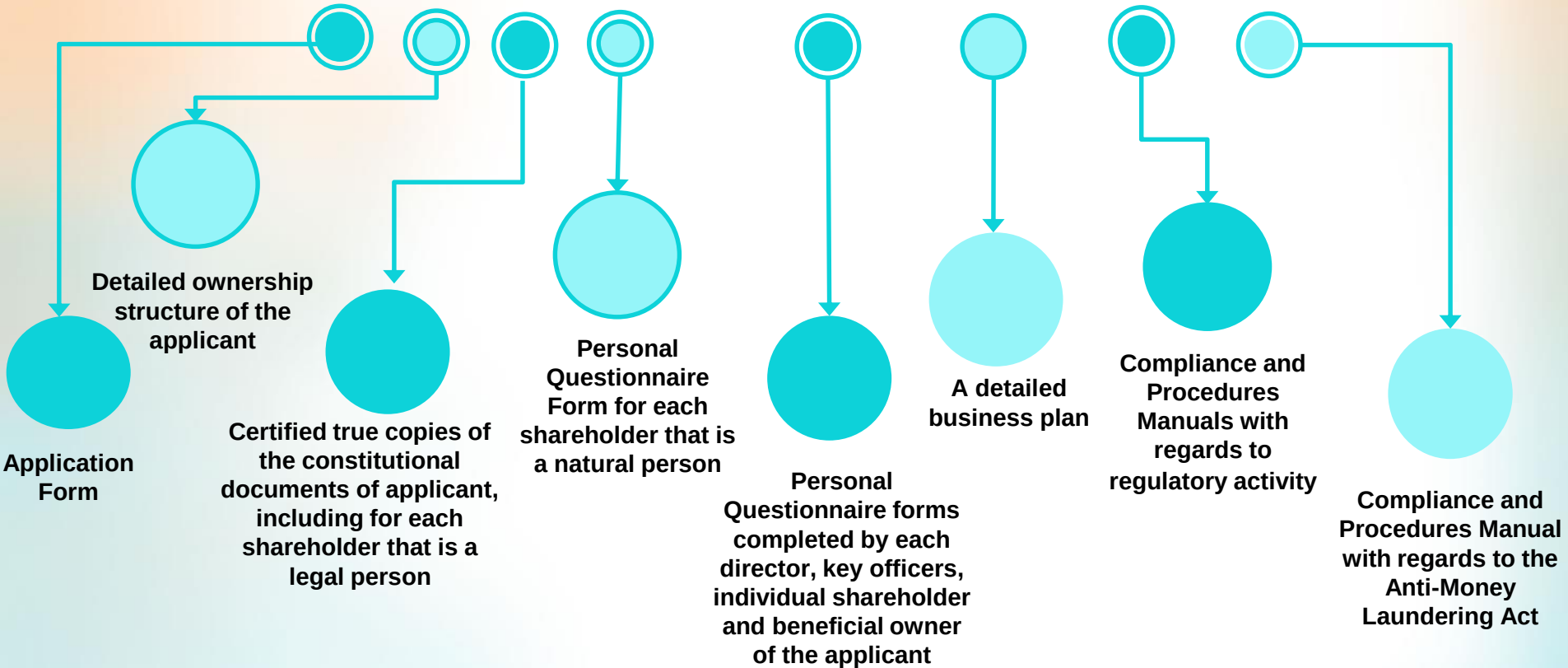
Prudential Requirements

- Paid up capital
- Solvency margins
- Technical reserves

Other Requirements

- Insurance Cover
- Financial Capabilities
- Management Capabilities
- Source of funds

Licence Applications



Licensing Statistics

As at 31st December, 2020

Fiduciary Services

International Corporate Service Providers	66
Trustee Service Providers	22
Foundation Service Providers	19

Insurance Services

Domestic Insurers	7
Non-Domestic Insurers	6
Domestic Brokers	20
Agents	3
Sub-Agents	47

Licensing Statistics

As at 31st December, 2020

Capital Market	
Securities Exchanges	2
Listed Companies	47
Securities Facilities	2
Clearing Agency	2
Securities Dealers	68
Investment Advisors	4

Fund Administration	
Fund Administrators	4
Approved Foreign Administrators	2
Private Funds	3
Professional Funds	8
Public Funds	2

Licensing Statistics

As at 31st December, 2020

Gambling	
Slot Machine Operators	8
Casinos	6

International Trade Zone Operators	27
Hire Purchase and Credit Sales	1
Regulatory Sandbox	1

Securities Dealers

- Licensed under the Securities Act, 2007.
- A person who carries on the business of dealing in securities, or who holds himself out as conducting such business.
- Participates as a securities dealer in any transaction in a security occurring upon a securities exchange.

Securities Dealers

- Most common securities traded by Seychelles Securities Dealers:
 - Contracts for Differences (CFD)*.
 - Arrangement made based on the open and closing price of an asset.
 - There is no delivery of physical goods or securities with CFDs.
- Risks:
 - Lack of knowledge.
 - Market volatility.
 - Leverage.

*Full list of Securities is available in Schedule 1 of the Securities Act, 2007.

Securities Exchange

- A market, exchange, place or facility which provides for bringing together on a regular basis purchasers and sellers of securities, and sets rules for the execution of securities transactions or for the negotiation or conclusion of sales and purchases of securities.
- Example: Merj Exchange Limited

Securities Facility

- An addition to the Securities Exchange that provides the depository and registry service for listed securities.
- Such service may include: the maintenance of the ownership register
- Example: Merj Depository and Registry Limited

Clearing Agency

- A company whose business is the provision of services for the clearing and settlement of transactions in securities.
- Example: Merj Clearing and Settlement Limited

Investment Advisors

- A person who:
 - (a) Advises another person concerning investment in securities;
 - (b) Issues, analyses or reports concerning specific securities; or
 - (c) Manages a portfolio of securities for another person- without holding property of the other person; and on the terms that preclude him from doing so.

Securities Dealer Representative

- An individual in the employment of (including a director of), or acting for or by arrangement with, a securities dealer, who deals in securities on behalf of that securities dealer, whether he is paid a salary, wages, commission or otherwise.

Investment Advisor Representative

- An individual in the employment of (including a director of), or acting for or by arrangement with, an investment advisor, who advises on securities on behalf of that investment advisor, whether he is paid a salary, wages, commission or otherwise.

Mutual Fund

TYPES/FEATURES OF MUTUAL FUNDS

Private Fund

- No more than 50 investors
- Private business connection
- Aimed at the professional adviser looking to gather together a consortium of investors
- Prohibits any invitation to the public to subscribe for shares
- No minimum or maximum investment required

Public Fund

- A Mutual Fund that is not a Private Mutual Fund or a professional fund.
- Designed to be mass marketed
- Applicant need to furnish a detailed offering document
- The authority will need to be satisfied that all risks and plans of the fund are disclosed upfront to the investors.

TYPES/FEATURES OF MUTUAL FUNDS

Professional Fund

- Aimed for Professionals or High Net worth investors with the initial minimum investment per investor being US \$ 100,000
- Recognized Banks, Mutual Funds, Insurance Companies, and Securities dealer etc

Exempt Foreign Fund

- Already licensed as a mutual fund in a recognized jurisdiction
- Need not require to hold Seychelles fund license
- Must be administered by a Seychelles licensed fund administrator
- Is either listed on a stock exchange or provides for a minimum investment of not less than US \$ 100,000

Seychelles International Trade Zone S.I.T.Z

Legal Framework; International Trade Zone Act, 1995

Description

The International Trade Zone Act, 1995 came into force on the 1st July 1995. The Act provides the FSA with the power to licence, regulate and supervise all operations of the designated Zones in Seychelles as mandated by the International Trade Zone Act and the FSA Act.

The Seychelles International Trade Zone (ITZ) is a free trade zone created by the ITZ Act, 1995 to allow for international trading in and through the Seychelles.

Description

These zones, designated by the Minister, are considered as ex-territorial and as such, some specific laws do not apply. These laws are specified in the ITZ Act and Regulations.

The ITZ is designed to cater for the needs of redistributors and exporters of goods and services. All business activities conducted by companies licensed under the ITZ Act must be geared towards exportation.

Incentives offered to SITZ Companies

- 0% VAT;
- 0% Custom Duty;
- Exemption from Stamp Duty;
- Exempt from payment of Work Permit for foreign workers;
- Ability to import foreign workers for skills absent in Seychelles;
- 100% foreign ownership permissible;
- Exempted from CSR;
- Exemption on specialized vehicle;
- Exemption on Immovable Property Tax;

ITZ Criteria

- ❑ Project must be geared predominantly at an export market
- ❑ Meet substance requirements;
 1. Physical establishment
 2. Minimum capital investment
 3. Minimum employment
- ❑ It should benefit the Seychelles economy
- ❑ Project must not pose a threat to the environment

Types of Licenses

- ❖ Redistribution;
- ❖ Light Assembly;
- ❖ Manufacturing;
- ❖ Processing;
- ❖ Export Services;

Statistics

Licenses issued as of May 2021		Quantity
Export Services		9
Light Assembly		2
Processing		7
Manufacturing		3
Redistribution		5
Total		26

FUNCTIONS OF THE ITZ

- ❑ License and Regulate business activities in the International Trade Zones
- ❑ Regulate employment activities in the zones;
 - i. Site visit;
 - ii. Grievances;
 - iii. Joint consultation as may deem necessary;
 - iv. Processing of ITZ Work Permit

Employment Stats

SITZ Company	LICENCE	EXPATRIATES	SEYCHELLOIS
Trivium Packaging (Seychelles) Ltd	R004 - M006	19	39
Capital Management & Consultancy Company Limited	E029	4	7
Chelle Medical	L001	0	35
Creodev	E039	0	1
Diamond SA(Seychelles) Ltd	R014	1	1
HOH (Seychelles) Desalination Company Ltd	P008	0	3
Indian Ocean Tuna Limited	P001	1360	534
Island Scent Ltd	P009	1	7
Key Success Ltd	P015	2	1
Labuse Manufacture Ltd	P012	1	2
Mailmaster Ltd	R013	1	2
Marzocchi Ship Repair Company (Seychelles) Ltd	E043	1	2
Nautical Transoceanic Inc	E022	4	0
Ocean Product (Seychelles) Ltd	P010	6	3
Satlink Ltd	E024	1	1
Seaside Tobacco (Proprietary) Ltd	M009	17	4
Appleby International Services (Sey) Ltd	E040	2	2
Ile Du Port Handling Services	EO42	51	84
Tuna Fishing Company	R043 - P017 - M011	5	10
Central Common Cold Store	E041	11	3
MW Brands (Seychelles) Ltd	R001	No employees	
Seafront Logistics Ltd	E045	Have not started operation due to the pandemic	
Industrial Specialized Application International (Pty) Ltd	L002		
TOTAL		1487	741

MEMBERSHIP

The ITZ under the purview of the FSA is also a member of the World Free Zone Organization which was formed under the leadership of 14 founding members, the WFZO is the first organization to bring together free zones to promote the exchange of views, best practice, experience and knowledge and ensure the sustainability and ongoing success of the free zone model.

Recent & Current Development

- ❑ Changes to export services licence due to BEPS requirements
- ❑ Introduction of substantial activity requirements due to EU implications
- ❑ Repeal of business tax exemptions
- ❑ Reviewing of the ITZ benefits
- ❑ Reviewing of the ITZ Employment Regulation and Conducting transition process with the Employment Department for the ITZ under the purview of the FSA to approve posts;
- ❑ Reviewing the ITZ Act – Non applicability schedule
- ❑ Reviewing of Customs procedure

The FSA Registers

International Business Companies Act, 2016

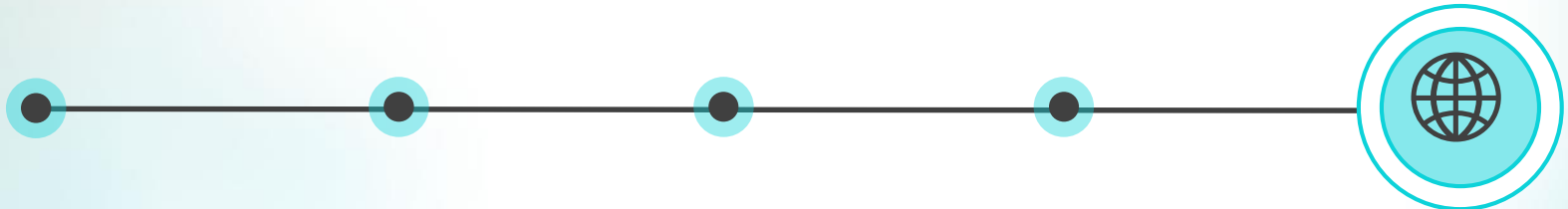
- International Business Companies (IBCs)

Trusts Act, 2021

- Declaration of Trusts

Limited Partnerships Act, 2003

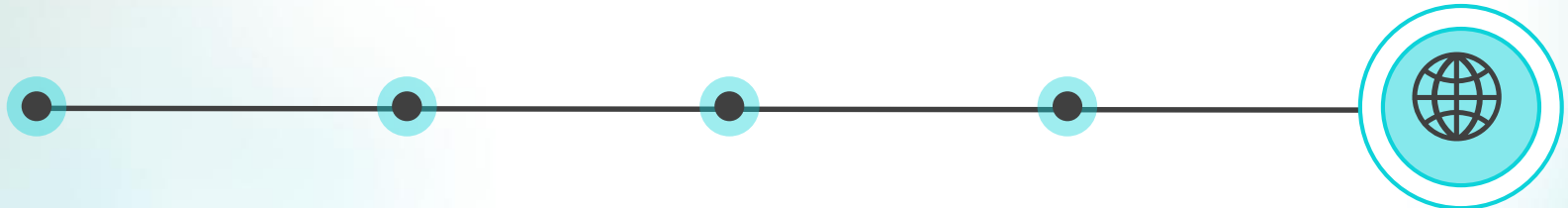
- Limited Partnerships



The FSA Registers

Foundations Act, 2019

- Foundations



Registry Statistics

As at 31st December, 2020 (Cumulative figures)

International Business Companies (IBC)	224,356
Foundations	918
Trusts	849
Companies (Special Licenses)	338
Limited Partnerships	32
Protected Cell Companies	20

Government Fees

IBC	Trust	Limited Partnership	Foundation	CSL	PCC
Registration: US\$130	Registration: US\$100	Registration: US\$200	Registration: US\$200	Incorporation: US\$1,000	Incorporation: US\$1,000
Annual Fee: US\$140	Annual Fee: NIL	Annual Return: US\$200	Annual Fee: US\$200	Annual Fee: US\$1,000	Annual Fee: NIL

Industry Capacity Building

To create the foundation needed and support to ensure the successful growth of the industry, the FSA has partnered with The International Compliance Association (ICA), to provide ready access to an array of qualifications on Certificate, Advanced Certificate, Diploma, Specialist Certificate and Professional Graduate Diploma in the following fields:

- Anti-Money Laundering
- Governance, Risk & Compliance
- Financial Crime Prevention, etc.

FSA's Sponsorship Policy

FSA has on offer a Scholarship for individuals interested to seek a career in the Financial Services Industry, to gain the requisite specialised educational and professional qualifications. Courses include:

- Seychelles International Financial Services Introductory Course by TGM
- Professional Qualifications
 - International Finance and Administration qualification (IFA) by the Institute of Chartered Secretaries and Administrators (ICSA).
 - Diploma in Offshore Financial Administration (DOFA) by the Institute of Chartered Secretaries and Administrators (ICSA).
 - Certificates and Advanced Certificates by the Society of Trust and Estate Practitioners.
 - Society of Trust and Estate Practitioners (STEP) Diploma in International Trust Management.
 - Certificates, Advanced Certificates and Diplomas by the International Compliance Association.

Thank you



Other materials on
FSA's products

Seychelles' **Trusts**

Trusts

- A Trust is a legal relationship through which the owner (called Settlor) of certain assets transfers these assets to an independent third party (called Trustee).
- The Trustee, in turn, is legally bound to maintain and manage these assets for the benefit of another person or group of persons (called Beneficiaries).
- A Trust is not a separate legal entity like a company or foundation.
- A Trust cannot own assets in its own name, the trustees legally own the assets.
- It is important to understand that once the trust assets are transferred to the trustee, the settlor loses all ownership rights to those assets.

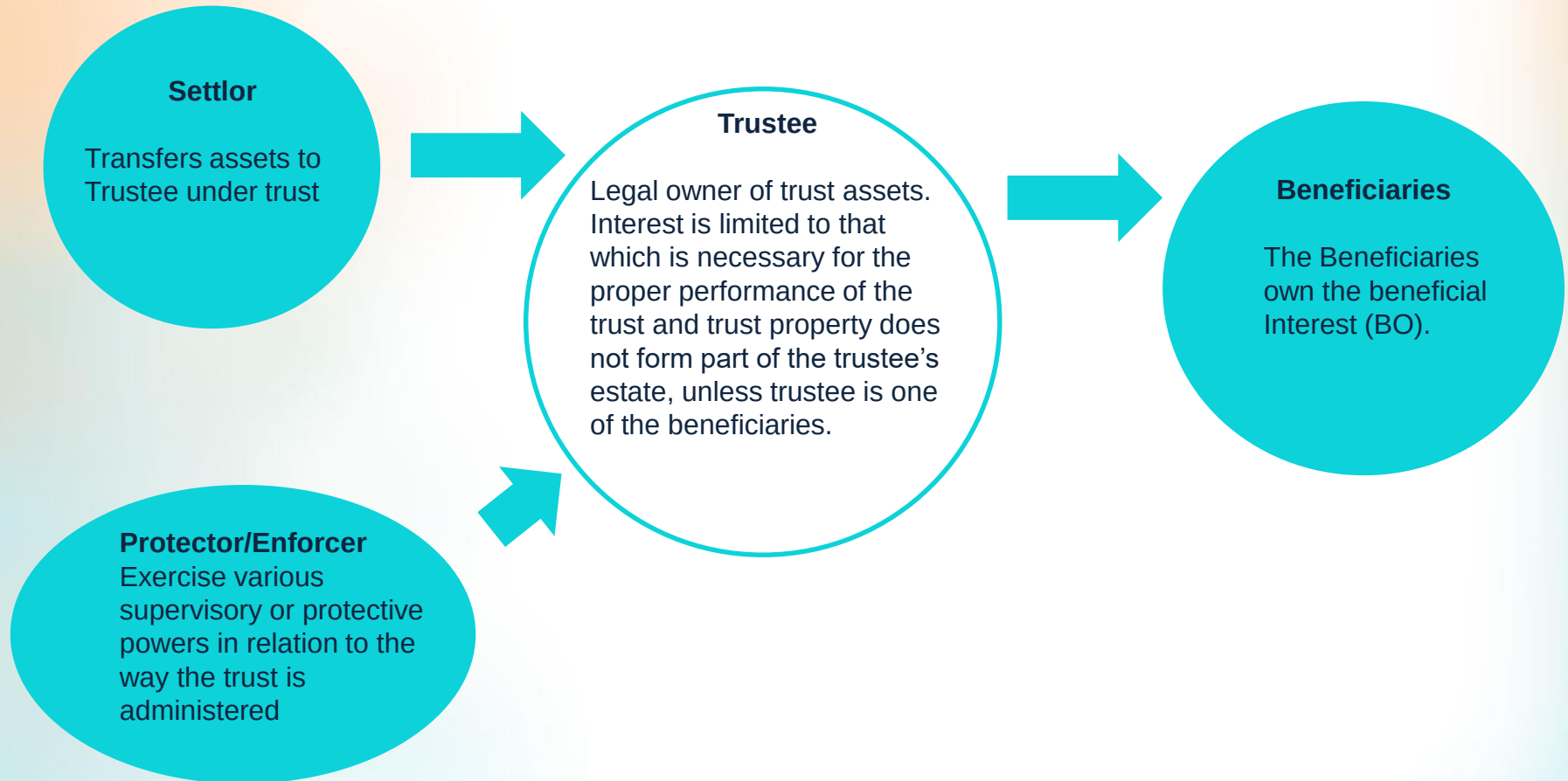
Trusts

- The trustee is not the agent of the settlor and cannot be compelled to act in accordance with his wishes (except as provided by the terms of the trust).
- Indeed, although the trustee will usually attach much importance to the settlor's wishes (which may be recorded in a written letter or memorandum of wishes), the trustee of a Seychelles trust is under an obligation to exercise independent judgment in deciding what is in the best interest of the beneficiaries when administering the trust.

Trusts

- The trustee must of course act in accordance with the terms of the trust deed and under the law is obliged to act with the utmost good faith and to preserve and enhance the value of the trust assets so far as is reasonable.
- As the trust assets cease to be the property of the settlor, he may not be liable to pay tax on them and they may not be available to his creditors.
- On Settlor's death, the assets will not form part of his estate and so will neither be governed by his Will nor subject to probate.

Trusts



Trusts

KEY FEATURES

➤ **Settlor:**

- Settlor can be beneficiary, but not a sole beneficiary

➤ **Trustee:**

- A Trust must have a Seychelles resident trustee licensed by FSA
- Non-resident co-Trustee, as well as a Protector/Enforcer, may also be appointed

➤ **Assets:**

- A Trust can own property worldwide but not in Seychelles
- However, in Seychelles, trust property may include any shares, debentures, or any interests in an IBC or in another trust.

Trusts

REGISTRATION

On appointment, a resident trustee of a trust shall submit to the Authority a **trustee appointment declaration** stating –

- the name of the trust;
- the date of formation of the trust;
- the name and address of each approved trustee of the trust;
- the trust property does not include any immovable property situated in Seychelles or shares or other interests in any company or other entity which owns or has any interest in immovable property in Seychelles
- that the instrument creating the trust is in writing; and
- the proper law of the trust.

Trusts

REGISTRATION

The Authority shall –

- register the trustee appointment declaration in the Register;
- allocate a reference number to the trust; and
- issue, to the approved trustee who submitted the trustee appointment declaration, a letter stating –
 - the name of the trust;
 - the reference number of the trust;
 - the date of registration of the trustee appointment declaration.

Upon registration, the trust shall be a “registered trust”.

Trusts

Relevant record-keeping obligations

A trustee shall keep at its principal place of business in Seychelles, an up to date Trust Register, containing –

- a) full name, address, nationality or place of incorporation of each trustee, beneficiary or settlor
- b) the date on which a person is appointed or otherwise became a trustee, beneficiary or settlor
- c) the date on which the person ceases to be a trustee, beneficiary or settlor

Trusts

Relevant record-keeping obligations

A trustee shall keep proper accounting records of the trustee's trusteeship that are –

- a) sufficient to show and correctly explain the trust's transactions
- b) enable the financial position of the trust to be determined with reasonable accuracy at any time; and
- c) enable for accounts of the trust to be prepared.

The accounting records shall be kept at the trustee's principal place of business in Seychelles or such other place as the trustee thinks fit for 7 years.

Trusts

“Sham Trusts”

Court case Rahman v Chase Bank [1991] JLR 103, Butterworth's Offshore Cases Vol 1, p 433, Royal Court:

A trust was held to be a sham on very strong facts:

1. Settlor running the trust:

- (a) Bank account contract provided that “the Bank may make or change in vestments upon receipt of instructions given by Mr. Rahman”.
- (b) Investment adviser appointed by Mr Rahman on terms agreed by Mr. Rahman.
- (c) Withdrawals from trust account without knowledge of the trustees or reference to them.

Trusts

“Sham Trusts”

- (d) Investment policy: correspondence between investment managers and Mr Rahman bypass the trustees.
- 2. Settlor considered the funds as his own: He referred to the trust as “his will”. He made payments out of the trust and telling recipients it was “his” money.
- 3. Inappropriate confidentiality: Reversionary beneficiaries were not informed of their interests.
- 4. Inconsistent appointments: An appointment was prepared (and possibly executed) which revoked previous appointments which were declared to be “irrevocable”.

Trusts

“Sham Trusts”

The three certainties

1. Intention
2. Objects, and
3. Subject matter - must be met

Trusts

“Sham Trusts”

1. Intention

- There must be an intention on the part of the settlor to impose enforceable trust obligations on the trustee
- The language used by the settlor is critical and must show a clear intention that the recipient of the trust property holds that property on trust.
- The trustee genuinely has control over the assets and exercises his own independent discretions in respect of those matters where the terms of the trust require him to do so
- Sham – there is no intention of the settlor to transfer legal ownership and control to the trustee.

Trusts

“Sham Trusts”

2. Objects

- There is a real intention of the apparent settlor to transfer legal ownership to the trustee, but
- in reality, it is intended that the equitable beneficial ownership remains solely with the settlor rather than with the beneficiaries, and
- the trustees only manage and distribute the trust property as the settlor directs.

Trusts

“Sham Trusts”

3. Subject matter

- Property must be transferred to the trustee

Trusts

Uses

Privacy:

Trusts may be created purely for privacy. The terms of a will are public and the terms of a trust are not. In some families, this alone makes the use of trusts ideal.

Spendthrift protection:

Trusts may be used to protect beneficiaries (for example, one's children) against their own inability to handle money. These are especially attractive for spendthrifts. Courts may generally recognize spendthrift clauses against trust beneficiaries and their creditors, but not against creditors of a settlor.

Trusts

Uses

Wills and estate planning:

Trusts frequently appear in wills (indeed, technically, the administration of every deceased's estate is a form of trust). Conventional wills typically leave assets to the deceased's spouse (if any), and then to the children equally. If the children are under 18, or under some other age mentioned in the will (21 and 25 are common), a trust must come into existence until the contingency age is reached. The executor of the will is (usually) the trustee, and the children are the beneficiaries. The trustee will have powers to assist the beneficiaries during their minority.

Trusts

Uses

Charities:

In some common law jurisdictions all charities must take the form of trusts. In others, corporations may be charities also. In most jurisdictions, charities are tightly regulated for the public benefit (in England, for example, by the Charity Commission).

Unit trusts:

The trust has proved to be such a flexible concept that it has proved capable of working as an investment vehicle: the unit trust.

Trusts

Uses

Pension plans:

Pension plans are typically set up as a trust, with the employer as settlor, and the employees and their dependents as beneficiaries.

Remuneration trusts:

Trusts for the benefit of directors and employees or companies or their families or dependents.

Corporate structures:

Complex business arrangements, most often in the finance and insurance sectors, sometimes use trusts among various other entities (e.g., corporations) in their structure.

SEYCHELLES' FOUNDATIONS

Foundations

Legal Framework:

- Foundations Act, 2009

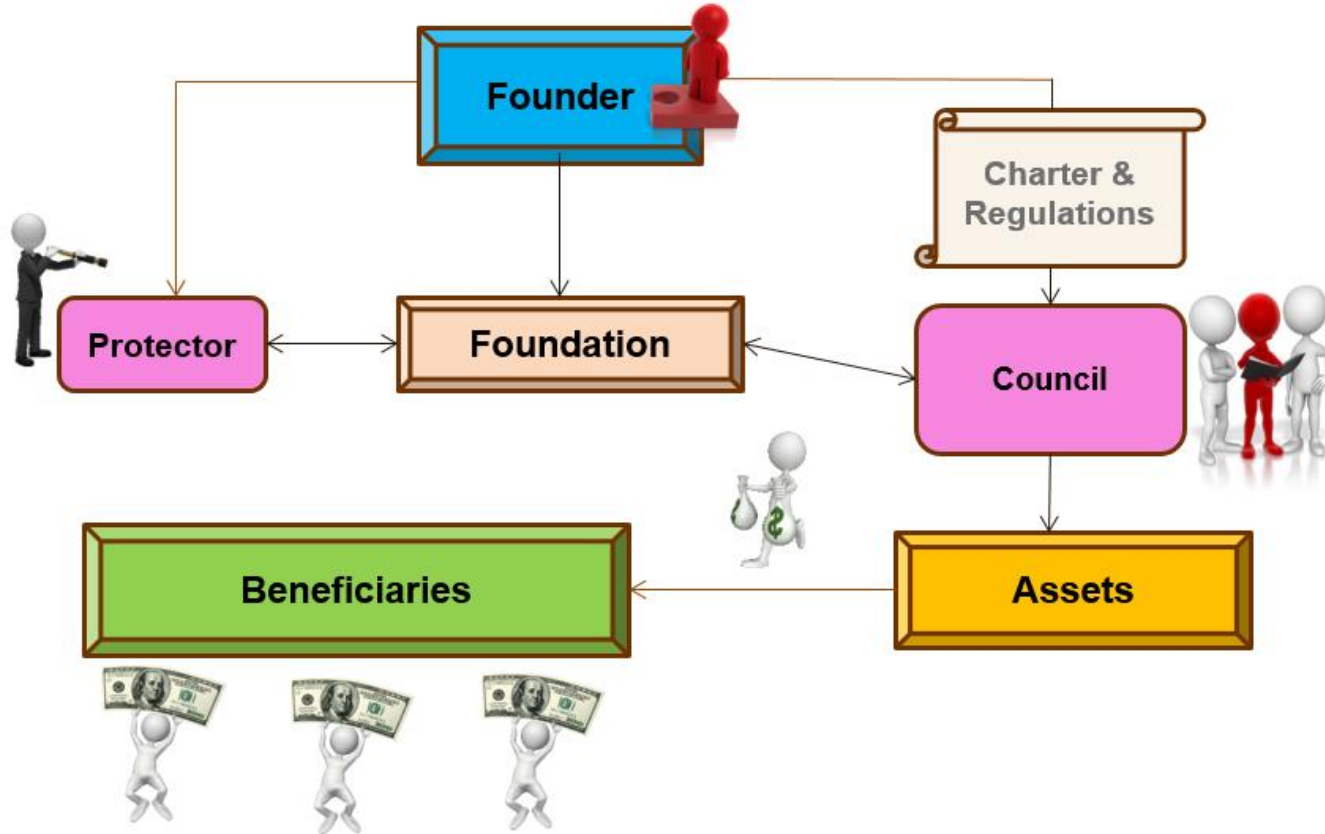
Description:

- A separate legal entity whereby once the founder transfers his assets to the Foundation it becomes the sole property of the foundation with full legal and beneficial title. (Not part of the Founders Estate)
- May be more appealing to Civil Law jurisdictions client as opposed to the Trust which is a common law development.

Uses:

- Asset Planning
- Tax Planning

Foundations



Foundations

KEY FEATURES

Founder

- Minimum number of one, natural or corporate person.
- May transfer his rights to another.

Council

- Minimum one Councillor, natural or corporate person
- Meetings can be held anywhere

Foundations

REGISTRATION

A registered agent shall submit a charter to the Registrar containing the:

- a) name of the Foundation
- b) name and address of the founder or of each of the founders
- c) object for which the Foundation has been established
- d) initial assets of the Foundation
- e) purpose of foundation
- f) establishment of a council
- g) name and address of the registered agent
- h) address of the Foundation's registered office in Seychelles
- i) dissolution of the foundation, etc.
- j) the manner in which a beneficiary of a Foundation is appointed

Foundations

Relevant record keeping requirements

Each Foundation shall keep at its registered office in Seychelles, a register of —

- a) councillors
- b) registered agents
- c) supervisory persons
- d) agent or attorney of the Foundation
- e) beneficiaries
- f) founders

Foundations

Relevant record keeping requirements

The register shall specify —

- (a) in the case of a natural person —
 - (i) his or her name
 - (ii) his or her business or usual residential address
 - (iii) his or her nationality
 - (iv) his or her date of birth
- (b) in the case of a legal person —
 - (i) its name
 - (ii) its registered or principal address

Foundations

Relevant record keeping requirements

A Foundation shall keep proper accounting records (in or outside of Seychelles), that are —

- a) sufficient to show and correctly explain the Foundation's transactions
- b) enable the financial position of the Foundation to be determined with reasonable accuracy at any time
- c) enable for accounts of the Foundation to be prepared.

The accounting records must be kept for at least 7 years.

Purposes of Trusts and Foundations

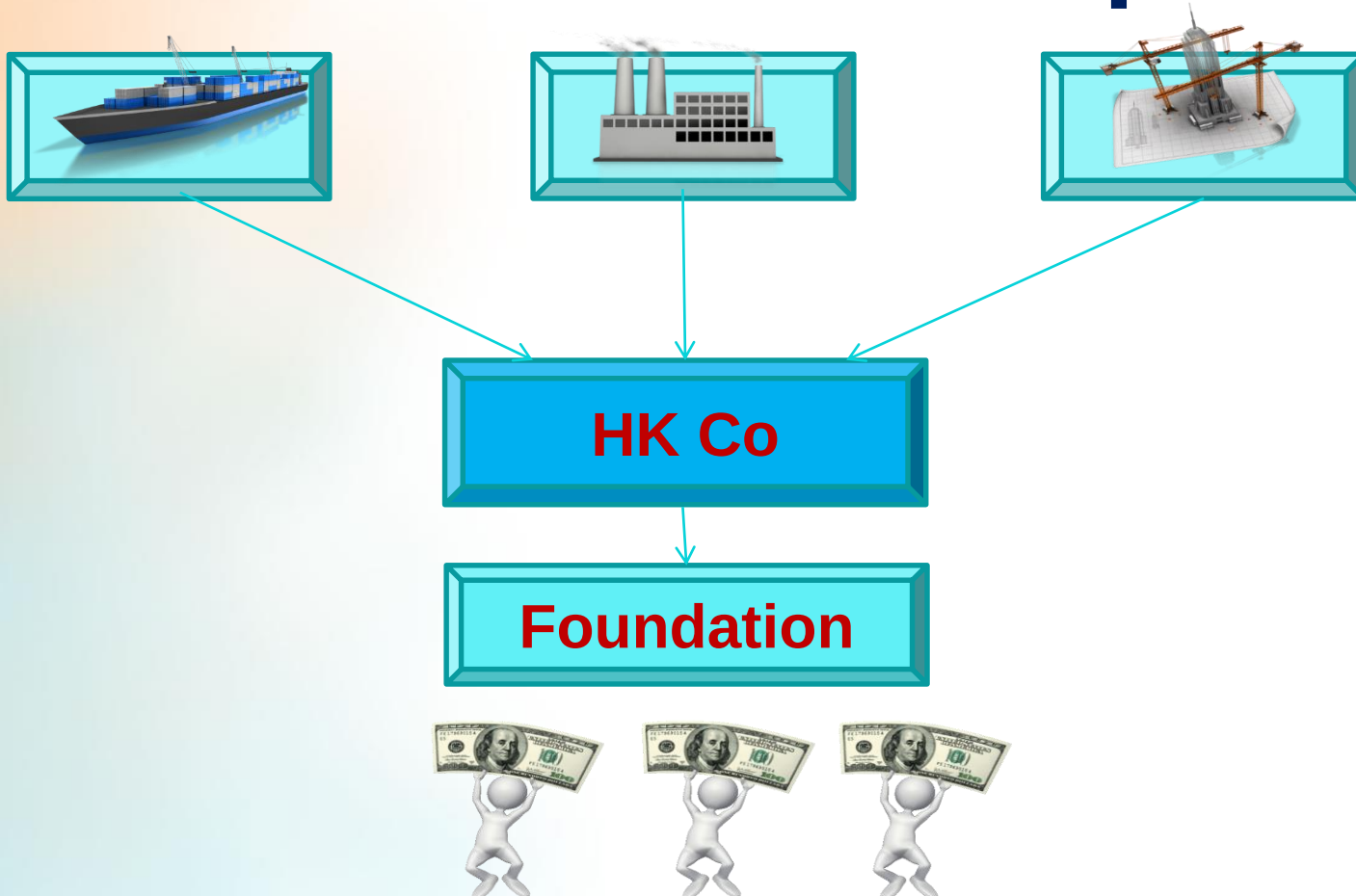
Asset Protection: To protect assets against creditors, excessive taxation, political instability, forced heirship rules.

Family: For succession management, to protect closely held businesses providing continuity into second and third generations, to protect minors, disabled persons; to manage payments or distribution of assets to family members, to provide for their education, housing.

Purposes of Trusts and Foundations

- **Business:** Pension and employee benefit schemes; a vehicle for the collection of royalties; to hold shares in private and public companies.
- **Charitable:** To carry on religious, philanthropic, humanitarian or educational purposes, or to manage funds or assets for such purposes.
- **Investment:** To own real estate or other assets of considerable value such as Art works, to invest in shares, bonds, bank deposits, mutual funds.

Structure Example



Seychelles' Limited Partnerships

Limited Partnerships

Legal Framework:

- Limited Partnership Act, 2003

Description:

- Suitable for International joint venture Activities
- Exempt from the Business Tax Act

Limited Partnerships

Features:

- Required to have one or more general partners who are responsible for administering and managing the LP and who are liable for the debts and obligations of the LP if the liabilities of the LP exceed its assets
- Required to have one or more Limited Partner who are not usually liable for the debts
- One General partner must be a Seychelles person
- At least one general partner of a limited partnership shall be a Seychelles IBC or a CSL.

International Business Companies (IBC)

IBC

- **Legal Framework:** International Business Companies Act, 2016
- **Description:**
 - The IBC is a simple but flexible structure.
 - A body corporate that can undertake any activities that are legal under the laws of Seychelles

IBC

- **Uses:**
 - Investment holding
 - Asset Protection
 - As a component for tax planning structures
 - Owning/ Managing vessels registered in Seychelles
 - May be used as part of structures under the Mutual & Hedge Fund Act, 2008 as a Private, Professional or Public Fund.
 - Etc.

IBC

Features – Prior to 2019

- Could not carry on business in Seychelles (except under an ITZ License).
- Exempt from Business Tax Act
- Treated as a non-resident entity when payment is to it made by a resident (WHT applies).
- May hold shares, debt obligations or other securities in other IBCs and/or Seychelles 1972 Companies.

IBC

Features – 2019 onwards

- Can carry on business in Seychelles.
- Exempt from Stamp Duty, etc.
- Required to have a minimum 1 Director and 1 Shareholder/Member (can be corporate or natural persons).

IBC

Registration

- Incorporation of a IBC is done by filing with the Registrar a memorandum and articles, signed by or on behalf of each subscriber.
- The subscriber may be its registered agent, who shall not be required to become a member of the company upon its incorporation.
- All IBCs must have a registered agent in Seychelles (i.e. CSP)

IBC

Registration

The Memorandum of the company shall contain:

- (a) the name of the company
- (b) the address of registered office (similar to CSP business premise)
- (c) whether the company is –
 - (i) a company limited by shares
 - (ii) a guarantee company; or
 - (iii) a company limited by shares and guarantee
- (d) the name and address of the company's registered agent
- (e) the restrictions set out in section 5(2) (i.e. restricted activities)

IBC

Relevant Record-Keeping Requirements

Every IBC is required to keep at its registered office in Seychelles a **Register of Members** containing:

- (i) name and address of each person who holds any shares
- (ii) number of each class and series of shares held by shareholder
- (iii) name and address of each person who is a guarantee member
- (iv) date that the name of each member was entered in the register
- (v) date on which any person ceased to be a member

IBC

Relevant Record-Keeping Requirements

Every IBC is required to keep at its registered office in Seychelles a **Register of Beneficial Owners** containing:

- (i) name, residential address, date of birth and nationality of each BO
- (ii) particulars of each BO's beneficial interest and how it is held
- (iii) date on which a person became a BO
- (iv) date on which a person ceased to be a BO

IBC

Relevant Record-Keeping Requirements

Every IBC is required to keep at its registered office in Seychelles a **Register of Directors (incl. alternate and reserve director)** containing:

- (i) name and address of each person who is a director
- (ii) date on which the person was appointed as a director
- (iii) date on which each person ceased to be a director
- (iv) date on which the reserve director ceased to have effect
- (v) such other information as may be prescribed.

- An IBC shall **file for registration** to the FSA its register of directors.
- Updated register must be filed within 30 days of any change.

IBC

Relevant Record-Keeping Requirements

An IBC shall keep proper accounting records (in or outside of Seychelles), that are —

- a) sufficient to show and correctly explain the IBC's transactions
- b) enable the financial position of the IBC to be determined with reasonable accuracy at any time; and
- a) enable for accounts of the IBC to be prepared.

The accounting records must be kept for at least 7 years.

COMPANY SPECIAL LICENCE (CSL)

Seychelles CSLs

- The CSL is a Seychelles domestic company (under the Companies Act 1972), which is granted a special licence under the Companies (Special Licence) Act 2003.
- The secretary must be a CSP
- Annual Returns and Audited Accounts must be submitted to the FSA only (and not the domestic Registrar)
- Public may only inspect Annual Returns and Audited Accounts where the CSL has derived Seychelles assessable income
- Access to Seychelles network of DTAAAs

Application Process

- An application shall be made in the prescribed form to the Registrar of Companies through the FSA.
- A compliance certificate signed by a legal practitioner practicing in Seychelles (if any).
- Names and addresses of shareholders and beneficial owners.
- Draft Memorandum and articles of association.

Application Process

- A written declaration containing:
 - i. The names and addresses of the directors
 - ii. The name and address of the secretary
 - iii. The address of the registered office of the company
 - iv. A description of each business that the company proposes to engage in;
- The name reservation certificate (if any).

Application Process

- Relevant record-keeping requirements
- Register of Directors kept as per Companies Ordinance, 1972
- Register of Members kept as per Companies Ordinance, 1972
- Accounting records kept as per Companies Ordinance, 1972