



Seychelles Company Special License (“CSL”)

The CSL is a Seychelles domestic company, incorporated under the Companies Act 1972, which is granted a special licence under the Companies (Special Licence) Act 2003 (“CSL Act”). Unlike the Seychelles IBC (which is a tax exempt entity and non-resident for Seychelles tax purposes), the CSL is a tax resident of the Seychelles. As a tax-resident, it is able to access and use the growing number of Double Taxation Avoidance Agreements (“DTAAs”) concluded by Seychelles. Countries with whom Seychelles has a DTAA include inter alia Barbados, Botswana, China, Cyprus, Indonesia, Malaysia, Mauritius, Oman, South Africa, Thailand, U.A.E., and Vietnam.

Seychelles legislation also permits migration of companies registered in other jurisdictions into Seychelles, and similarly a CSL may relocate outside the Seychelles.

Permitted Activities

The CSL may be used for the specific provisions indicated in the CSL Act unless otherwise given express permission to engage in some other business by the Seychelles Financial Services Authority (“FSA”). These include the following:

- Undertaking the business of investment management and advice
- Offshore banking (a separate banking license is required)
- Offshore insurance and re-insurance (a separate insurance license is required)
- Investment services
- Marketing
- Intellectual property holding
- Franchise
- Human resources
- Headquarters or holding company
- Any other activity approved by the Authority



Shares and Capital

- A Seychelles CSL is not required to have any minimum paid-up capital in order to start its business operations;
- Any amount of authorized capital can be stated in the CSL formation documents, as required by the owners;
- Authorized capital is a notional amount of capital that the company is allowed to draw from its shareholders in consideration for the company shares;
- The amount of the authorized capital can be freely determined at incorporation by the owners of the CSL and there are no mandatory timeframes as to when such capital must be paid up by the shareholders. All in all, the capital structure of a Seychelles CSL can be very flexible;
- Shares of the Seychelles CSL can be issued in a variety of forms and classifications and may include: Par or No Par Value, voting or non-voting, Preferential or Common and Nominal;
- Shares may be issued for money or for other valuable consideration;
- Shares may be issued before any payment is made; and
- Shares and Capital may be denominated in any currency.

Shareholders and Directors

- Directors must be natural persons;
- The minimum requirement of a Seychelles CSL is two directors
- The directors do not have to be shareholders;
- Nominee shareholders and directors are allowed and AARROW provides such services;
- Shareholders and Directors may be of any nationality and reside in any country;
- Annual Directors meetings are required but may be held by teleconference or any electronic means; and
- When a meeting of shareholders and directors is held, a proxy may represent a shareholder or director and speak or vote on his behalf.



Company Secretary / Registered Agent / Registered Office

A CSL is required to appoint a local licensed registered agent, whose name shall appear in the company's Memorandum and Articles of Association.

As per the law, for managing purposes, there shall be a Secretary (who can either be an individual or a legal person) who shall be a resident in Seychelles. The secretary must be a licensed International Corporate Service Provider (ICSP) in Seychelles and shall be responsible for submitting and authenticating signatures on all documents submitted to the Authority. Acceptance by the Secretary of any document is considered as acceptance by the Company.

It is also a requirement for a CSL to have a registered office in Seychelles.

Corporate Books and Records

A CSL has the onus to maintain a Register of Directors, Register of Shareholders, Minute Book and copies of Resolutions; These are typically maintained by the Company Secretary. It is also required to prepare and file annual audited returns (not public though)

Taxation

A CSL is liable to 1.5% tax on its profits. It is further exempt from any withholding taxes on dividends, interest and royalties, and from stamp duties on any property or share transfers and transactions.

Exemptions

A CSL is exempt from the following:

- Stamp Duty;
- Exchange Control;
- Import duty on furniture and equipment excluding motor vehicles;
- Social Security Payments; and
- 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.



Confidentiality

No authorized persons shall disclose any information contained in any document relating to the performance and duties to be conducted under the CSL Act except for proceedings under the penal code, Anti money Laundering Act or the Business Tax Act. Every person with knowledge relating to the shareholding of a special license company has a duty of non-disclosure.

AARROW Corporate

AARROW Corporate is a duly registered and regulated corporate service provider in Seychelles offering a complete range of Corporate Administration services catering to the clients' specific needs.

AARROW Corporate specializes in providing a full range of financial, fiduciary and advisory services worldwide. The company prides itself on providing a first class service to all clients by shaping their international affairs and using low-risk tax jurisdictions as a base for their transactions.

Services provided by AARROW Corporate includes among others:

- Gather and verify all Customer Due Diligence (CDD) documents on the shareholders and directors
- Draft the business plan of the company including the financial forecast
- Draft the Memorandum & Articles of Association
- Act as Secretary, provide Registered Office and Nominee Services if required
- Coordinate with the FSA from the time of submission of the CSL application until receipt of the licence
- Provide secretarial, administration, accounting and tax services to the CSL
- Provide compliance services to ensure that the CSL complies with all the Seychelles regulations

For further information, please contact our expert team at info@aarrow.com