

# The Sovereign Group

## Comparison Chart & Fee Schedule 2012

	BAHAMAS	BELIZE	BVI	CAYMAN	CYPRUS	DELAWARE	DENMARK	GIBRALTAR	HONG KONG	ISLE OF MAN	JERSEY	LUXEMBOURG	MALTA	MAURITIUS	NETHERLANDS	PANAMA	SINGAPORE	SWITZERLAND	TURKS & CAICOS	UNITED KINGDOM	URUGUAY	RAK	JAFZA
Type of Company	IBC	IBC	IBC	Exempt	IBC	LLC	ApS	Limited	Limited	NMV	Limited	NV	IHC/ITC	GBC2	BV	Limited	Limited	SarL	Exempt	Limited	Safl/Sazf	IBC	IBC
Minimum Number of Shareholders	1	1	1	1	2	2	1	1	1	1	2	2	2	1	1	1	1	1	1	1	1	1	1
Minimum number of Directors	1	1	1	1	2	1	Optional	1	1	2	1	3	1	1	1	3	1	1	1	1	1	1	2
Bearer Shares Allowed Is there a requirement For public disclosure of Directors/Shareholders	No	Yes*	Yes*	Yes*	No	No	No	No	No	No	No	Yes	No	No	No	Yes	No	No	Yes*	No	Yes	Yes	No
Local Directors reqd Standard Authorised Capital	No US\$ 50,000	No US\$ 50,000	No US\$ 50,000	No US\$ 50,000	No but Normal €1,000	No N/A	Yes DKK 125,000	No €2,000	No HK\$ 1,000	Yes €2,000	No €10,000	No but Normal €31,000	No but Normal €1,200	No US\$ 100,000	No but Normal US\$ 200,000	No US\$ 10,000	Yes \$ 100,000	Yes CHF 20,000	No US\$ 5,000	No €1,000	No US\$ 100,000	No US\$ 1,000	No AED 1,000
Annual Accounts reqd	No	No	No	No	Yes	No	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	Yes	Yes	No
Time to Incorporate	2 days	2 days	2 days	3-5 Days	10 Days	2 Days	90 days	5 Days	21 days	10Days	14 days	5 days	14 days	2 days	60 days	2 Days	14 days	60 days	2 days	14 Days	90 days	3days	14days
Ready made Companies available	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	No
Incorporation cost	US\$850	US\$750	US\$440	US\$3,110	€2,000	US\$1000	€3,000	€450	US\$750	€450	€850	€5,500	€1,300	US\$1,000	€6,500	US\$1000	US\$985	€5,500	US\$750	€450	US\$2,300	US\$560	US\$3,055
Security Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Courier fee	US\$80	US\$80	US\$80	US\$80	€80	US\$80	At cost	€50	US\$80	€50	€50	€80	US\$80	€80	US\$80	US\$80	US\$80	€ 80	US\$80	€50	US\$80	-	US\$645
Domiciliary service fee	US\$1,025	US\$1,025	US\$1,025	US\$1,500	€1,500	US\$1175	€6,500	€2000	US\$1,025	€2,000	€2750	€7,650	€2,000	US\$1,100	€5,000	US\$1,075	US\$1,830	€8,500	US\$1,025	€2,000	US\$1,250	US\$1,395	US\$1250
Government fees	US\$350	US\$100	US\$350	US\$636	€20	US\$250	-	€45	US\$350	€320	€150	-	€165	US\$300	€250	US\$300	-	-	US\$300	€30	Varies	408	700
<b>BASIC FIRST YEAR COST</b>	\$2,305	\$1,955	\$1,895	\$5,326	€3,600	\$2,355	€9,500	€2,545	\$2,205	€2,820	€3,800	€13,210	€3,545	\$2,445	€11,830	\$2,455	\$4,645	€14,000	\$2,155	€2,530	\$3,630	\$2650	\$4,950
Basic second and Subsequent year's cost	\$1,375	\$1,125	\$1,375	\$2,136	€1,520	\$1,425	€6,500	€2,045	\$1,375	€2,320	€2,900	€7,650	€2,165	\$1,375	€5,250	\$1,375	\$3580	€8,500	\$1,325	€2,030	\$1,250	\$1767	\$1,950

The above fees are indicative only and must be read in conjunction with the notes below. We reserve the right to change the fees applicable to any product or service without notice

### OPTIONAL SERVICES

#### COURIER

Initial corporate papers must be dispatched by courier for which fees are £50/\$80.

#### BANK ACCOUNTS

We can open bank accounts for your company in most places in the world and our fees for attending to the account opening procedures would be FROM £400/USD 800.

#### DIRECTORS AND OFFSHORE MANAGEMENT AND CONTROL

Most onshore countries have provisions within their tax legislation whereby any company, no matter where it is incorporated, which is managed or controlled from within their jurisdiction will be tax resident there and taxable on its worldwide income at local rates. For example, any offshore company which had UK based directors would be tax resident in the UK and subject to UK tax on its worldwide income. Failure by the directors to declare the liability of the offshore company to UK tax would be an offence with potentially very serious consequences- see *R v Dimsey*. Most other onshore countries have similar provisions within their tax legislation so it will rarely be advisable for onshore resident clients to act as the directors of an offshore company. To establish an offshore tax residency for the company we can provide directors and in most cases it is essential to take this service if tax savings are to be made.

In the UK case of *R v Holden* the UK Special Commissioners ruled that a company was taxable where it's central management and control actually abided and that mere physical acts of signing board resolutions or documents did not suffice to constitute actual management and this would require the directors to be knowledgeable in the affairs of the company so as to be able to make informed decisions.

Directors fail to act responsibly if they merely sign documents presented to them without understanding them fully and without being in receipt of all information which would lead them to be able to make a rational informed decision about the merits of the document.

To rebut suggestions that the directors are mere puppets and to convince a tax authority that they are managing and controlling the company from offshore the

directors should ensure:-

- that the background to a particular contract or document is fully explained to them so they understand the commercial logic involved;
- the directors fully debate the merits of the contract and prepare board resolutions which fully set out their deliberations and could later be produced in evidence if necessary;
- that the fees they charge are large enough to suggest that an appropriate amount of time has been spent on the matter so that it is clear that the directors are not just rubber-stamping decisions already made elsewhere.

Our fees for the provision of directors and/or nominee shareholders range from US\$1,750 per annum. For those areas priced in Sterling, the fees are included above. In certain jurisdictions, the directors will insist on receiving an upfront security deposit of at least £1,500 to be held as a guarantee to ensure that the company is properly wound up at the end of its useful life and that the company does not leave unpaid debts.

#### REMAILING, FAX, TELEPHONE AND OFFICE FACILITIES

As part of the domiciliary services package we provide a registered office address in the jurisdiction of the incorporation of your company in order to meet the local statutory requirement and included in our management services, we permit the use of that address or your main admin office for mailing purposes. However, many clients ask that we provide remailing and other office services out of one of our other Group offices located in Hong Kong, London or elsewhere. When we receive mail we will re-package it into a plain envelope and can arrange for it to be posted, according to your instructions, directly from the place of receipt or via one of our onshore offices to ensure that correspondence is not received at your home address bearing an offshore postmark and the name of your company. In this way confidentiality which would be lost if mail was received directly can be maintained. Faxes, e-mails and telephone calls can be dealt with according to agreement to further ensure confidentiality. Our fee for the provision of this service is US\$500 per annum plus handling charges (US\$5 per item plus disbursements incurred).

#### TRUST SERVICES

Using a trust to own the shares of an offshore company can result in very substantial tax and non-tax related advantages which will accrue both on death and during the lifetime of the trust settlor. These advantages may include:-

- SAVINGS OF INHERITANCE TAX;
- ASSET PROTECTION;
- AVOIDANCE OF PROBATE;
- CONTINUITY;
- LIFETIME TAX SAVINGS;

Trust services are principally provided by Sovereign Trust International Limited - Gibraltar Professional Trustee licence number FSC00215B, Sovereign Trust (TCI) Limited - TCI Professional Trustee licence number 029 or Sovereign Trustees Limited - IOM Trust Service Provider licence number 43,521. Each of these companies are subject to stringent Government supervision by the Financial Supervision/Services Commissions in those jurisdictions and are covered by our professional indemnity insurance. Fees for establishing a suitably drafted trust and for the provision of trustee services will be quoted on a case by case basis.

#### OTHER SERVICES

We provide a wide range of administrative and documentary services including, but not limited to, legalisation and notarisation of documents, credit cards, yacht and ship registration, invoicing, documentary trade services, trade finance applications, accounting, consultancy and immigration services. Full details are available upon request.

#### ADMINISTRATIVE FEES

It should be noted that the fees quoted are for the provision of the annual services only. In addition, time-spent will be added in accordance with our administrative services fee schedule.

For further detailed information or a free consultation please contact your nearest Sovereign Group office. Alternatively visit our website: [www.SovereignGroup.com](http://www.SovereignGroup.com)