



## **GENERAL INFORMATION**

The Cayman Islands are a British colony situated in the Caribbean sea approximately 500 miles South of Miami, Florida, with a population of approximately 50,000 people of mixed origin. The Islands enjoy sophisticated legal, accounting and banking services and derive political stability by virtue of their connection with Britain. The legal system is British and the government is headed by a Governor appointed by the Crown who presides over a Government made up of twelve locally elected members and three senior civil servants who hold ex-officio office.

There is no exchange control and no restrictions on the movement of funds to or from the Islands.

The Confidential Relationships (Preservations) Law 1976 makes it a criminal offence for any person to divulge confidential information to a third party and the Cayman Islands have no double taxation treaties with any other part of the world but have undertaken to assist foreign governments by giving them information where a Cayman Island Company has been used or involved in activities which are mutually considered as criminal. Tax offences would not be covered by this treaty so no information would be revealed where allegations of tax offences are made.

The Companies (Amendment) custody of Bearer Shares Law 2001 provides for a licensed Custodian in the Cayman Islands to hold bearer shares to the order of the beneficial owner.

## **THE CAYMAN ISLANDS EXEMPT COMPANY**

A Cayman Island exempt company has the following characteristics:

### **Taxation**

There are no taxes in the Cayman Islands on income, capital gains, profits, dividends, investments or capital transfers. The company receives a twenty year guarantee against taxation from the Cayman Islands Government, which may be extended to thirty years on application.

### **Shareholders**

Only one shareholder is required whose details are not maintained on public record. Bearer or registered shares are permitted. However, bearer shares must be deposited with a licensed custodian in the Cayman Islands to be held to the order of the beneficial owner.

### **Directors**

Details of the directors must be advised to the company registrar but this information is not available for public inspection. Directors do not have to be resident in the Cayman Islands but one statutory meeting of the directors must be held within the islands every year. This may be done more conveniently by the appointment of proxies. A minimum of one director is required. Corporate directors are permitted.

### **Annual Reporting**

There is no requirement to file accounts with the registrar. However, an annual return must be filed. The return takes the form of a simple declaration.

### **Timescale**

Incorporation time is in the order of three to five days. We do not keep ready-made companies in stock.

### **Restricts on Names and Activities**

Exempt companies have no restrictions on names.

### **Local Requirements**

As a matter of local company law the company MUST maintain a registered office address within the Cayman Islands and must also appoint a Cayman resident as registered agent. We would generally provide these services as part of the domiciliary service fee.

### **Secrecy**

The Confidential Relationship (Preservation) Law 1976 makes it a criminal offence to divulge confidential information or to willfully obtain or attempt to obtain confidential information relating to a Cayman Island company. The Law imposes a maximum penalty of a fine of CI\$5,000 and/or a term of imprisonment of up to 2 years.

## **REGISTRATION FEE AND MAINTENANCE FEE**

### **Registration Fee**

Our registration fee for a company with a share capital less than US\$50,000 is US\$3,200. The fee covers first year license fee, first year registered agent fee and first year charge for the provision of registered office. Chinese name can be added at an extra cost of USD400.

The registration fee covers initial set up and current year maintenance costs. Practically, it represents all the costs for incorporation and current year maintenance costs.

### **Annual Maintenance Fee**

Annual maintenance fee is USD2,250 which covers annual license fee, annual registered agent fee and annual registered office fee.

**Documents and Information Required**

1. A photocopy of passport of each director and shareholder
2. Residential Addresses with proof of all directors and shareholders

**Documents Given to Clients after Registration**

1. Original copy of Certificate of Incorporation
2. Two (2) copies of Memorandum and Articles of Association
3. Ten (10) copies of share certificate
4. Register of Members and Register of Directors
5. Common Seal and company chop
6. Minutes for the appointment of first director(s)

For incorporation, information or assistance, please contact:

**Kaizen Corporate Services Limited**

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