

PRACTICAL STEPS IN FORMING A COMPANY IN CYPRUS

1 Name

The approval of the name can take up to five working days. The general principle of the name should be such that a similar name does not exist, the name is not too general and does not contain words such as international, group etc. Please let us have a choice of two or three names.

2 Share Capital

We suggest that the minimum share capital is €1.000 for the type of the company you require.

3 Shareholders

Each company must have as a minimum one shareholder. If the shareholders are more than one, you have to decide in which portion you wish to divide the shares. We need full names, address, nationality and the proportion of holding as well as the documents referred to in paragraph 5 below. For nominee shareholders please refer to paragraph 6 below.

4 Directors

Each company must have at least one director. For each registered director we need his full name, address and nationality as well as the documents referred to in paragraph 5 below. For nominee directors please refer to paragraph 6 below.

5 Documents required

5.1 Bank reference

For each shareholder and registered director, we require a bank reference the text of which should approximately read:

Quote

To: PKF / ATCO Ltd

2 Limassol Avenue, Aluminium Tower, Floors 3rd & 4th

2003 Nicosia Cyprus

Nicosia Office

PKF / ATCO Limited | 2 Limassol Avenue, Aluminium Tower, Floors 3rd & 4th | 2003 Nicosia Cyprus
Tel + 357 22 462727 | Fax + 357 22 339866 | P.O. Box 24384, 1703 Nicosia, Cyprus | Email: info.nicosia@pkf.com.cy

Limassol office

PKF Savvides & Co Limited | 229 Arch. Makarios Ave., Meliza Court 4th floor | 3105 Limassol Cyprus
Tel +357 25 868000 | Fax + 357 25 587871 | Email: info@pkf.com.cy | www.pkf.com.cy

The list of partners' names of each firm is open for inspection at their principal place of business.



We confirm that Mr. or Mrs. has been our client for more than a year and that he/she carried out his banking transactions in a very satisfactory manner.

Mr. or Mrs. has proved to be creditworthy, respectable and of good financial standing.

Unquote

This reference must be in original form and will remain confidential.

5.2 Curriculum Vitae (CV)

C.V. of all beneficial owners and registered directors and their residential address.

5.3 Passport

Copies of the passports of all beneficial owners and registered directors which should be certified as true copy of the original.

5.4 Proof of Residential Address - Utility Bills

Copy of the most recent electricity, or water, or gas, or telephone bill, both from beneficial owners and registered directors.

5.5 Companies as beneficial owner

In case where the beneficial owner is a company, then we require the following:

- a. Full set of registration documents.
- b. Group structure.

- c. Bank reference and proof of residential address (see 5.1 and 5.4 above) for the company and its ultimate beneficial owner.
- d. Latest available audited financial statements.

5.6 Trusts as beneficial owners

In case where the beneficial owner is a Trust, then we require the following:

- a. Full set of registration documents. (ie Trust Settlement etc)
- b. Group structure.
- c. Bank reference and proof of residential address (see 5.1 and 5.4 above) for the Trust, the Settlor, the Trustee and all of the beneficiaries of the Trust.
- d. Latest available audited financial statements of the Trust (if any)

6 Nominee services

Our management company provides full nominee services such as shareholders, directors (minimum one, however, the director can not be the same as the secretary in case the company chooses to have only one director), company secretary and registered office.

By using nominees, you will keep your identity secret, as it will not be a public record.

In order to safeguard ownership, the nominee shareholder, director and company secretary, will provide you with the following:

- A. Undated letter of resignation with no claim on the company.
- B. Undated resolution for appointment of new directors and company secretary leaving the name of the new appointee blank.
- C. Undated instruments of transfer of shares.
- D. Undated resolutions approving the above transfer.
- E. Deeds of trust by the nominees to the beneficial shareholders declaring that they hold the shares in trust.

7 Company documents

All the documents of the company are in Greek and/or English.

8 Bank accounts

You may open bank accounts anywhere in the world and in any currency. The Directors of the company will appoint the authorized signatories. Local banks include, Bank of Cyprus Ltd., The Cyprus Popular Bank Ltd. Alpha Bank Ltd, Hellenic Bank Ltd.

9 Taxation

The company's net profit after all expenses is subject to 12,5% tax. Subsequent dividend paid to non-resident shareholders is free from any further taxes.

10 Duration

It will take approximately twelve to fifteen working days to form the company.

11 Administration

We can provide you with full administration assistance for business address, mail forwarding and telephone inquiries as well as liaise with you by fax and obtain instructions.

12 Normal office hours

Monday to Friday 8.00 a.m. - 17.00 p.m.

We are one hour ahead of Central European time.

Most of the partners stay in the office well after 6.00 or 7.00 p.m. so they can be contacted.

13 Contact persons

Name	Fax	E- mail
George Koukoumas	+357 22769010	george.koukoumas@pkf.com.cy
Kypros Kyprianou	+357 22769010	kypros.kyprianou@pkf.com.cy
Nicolas Nicolaou	+357 22378979	nicolas.nicolaou@pkf.com.cy

14 Experience

We operate more than 1000 international business companies that we have established over the last twenty years.

We employ more than 120 staff through our offices around the Island qualified to offer the highest standard of service.

We have tried to give you a practical outline of the procedure and costs for setting up a Cyprus international business company. All you have to do is the following:

1. Give us two or three names to approve.
2. Complete the attached questionnaire.
3. Provide us with the documents as set out in paragraph 5 above.
4. Pay the share capital.

We shall do everything else!