



INTERCONTINENTAL TRUST NEWSLETTER

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INTERCONTINENTAL TRUST
International Tax & Management Services

New Requirements for Global Business Category 1 companies (“GBC1”)

The Financial Services Commission (“FSC”) Guide to Global Business has recently been amended to include new requirements to be complied with by GBC1s. GBC1s have up to 1 January 2015 to comply with the new requirements.

Building on the Mauritius Budget 2013 that aims at encouraging more substance in Mauritius by GBC1s, the FSC has on the 4th September 2013 issued a communiqué on the amendments to Section 3 of Chapter 4 of the Guide to Global Business relating to “Control and Management of Conduct of Business” for GBC1.

Currently, the FSC considers the following when determining whether the conduct of business is managed and controlled from Mauritius:

- ◊ *The corporation shall have or has at least 2 directors, resident in Mauritius, who are appropriately qualified and are of sufficient calibre to exercise independence of mind and judgement;*
- ◊ *The corporation shall maintain or is maintaining at all times its principal bank account in Mauritius;*
- ◊ *The corporation shall keep and maintain or is keeping and maintaining, at all times, its accounting records at its registered office in Mauritius;*
- ◊ *The corporation shall prepare, or proposes to prepare or prepares its statutory financial statements and causes or proposes to have such financial statements to be audited in Mauritius;*
- ◊ *The corporation shall provide or provides for meetings of directors to include at least 2 directors from Mauritius; and*

◊ A corporation which is authorised/licensed as a collective investment scheme, closed end fund or external pension scheme, is administered from Mauritius.

What are the new requirements?

In addition to the above existing requirements, a GBC 1 will now have to meet at **least one** of the following criteria to satisfy the FSC that it is controlled and managed in Mauritius:

- ◊ *The corporation has or shall have office premises in Mauritius; or*
- ◊ *The corporation employs or shall employ on a full time basis at administrative/technical level, at least one person who shall be resident in Mauritius; or*
- ◊ *The corporation’s constitution contains a clause whereby all disputes arising out of the constitution shall be resolved by way of arbitration in Mauritius; or*
- ◊ *The corporation holds or is expected to hold within the next 12 months, assets (excluding cash held in bank account or shares/interests in another corporation holding a Global Business Licence) which are worth at least USD 100,000 in Mauritius; or*
- ◊ *The corporation’s shares are listed on a securities exchange licensed by the Commission; or*
- ◊ *It has or is expected to have a yearly expenditure in Mauritius which can be reasonably expected from any similar corporation which is controlled and managed from Mauritius.*



A corporation shall be deemed to have satisfied the new requirements above where a related corporation holding a category 1 Global Business licence satisfies one of the criteria mentioned above. Related corporation, in the Guide to Global Business, has been defined as referring to a subsidiary, fellow subsidiary, a parent corporation or any other corporation within the same group structure.

How can we help in meeting the new requirements?

Intercontinental Trust Ltd can assist you with the following:

Stock Exchange Listing in Mauritius

ITL has a listing team that provides advice on listing procedures and requirements and is dedicated to assist in the listing process as well as ensuring that the listed company complies with ongoing post-listing requirements.

The Stock Exchange of Mauritius Ltd (“SEM”) which is licensed by the FSC, provides a multi-currency listing, trading and settlement platform in USD, EUR, GBP, ZAR and MUR and allows GBC1s to be listed without their shares being traded on the Exchange (“a technical listing”). The SEM also has specific listing rules for GBC1s which provide flexibility on the conditions for listing.

Office premises in Mauritius

We can assist in the process of setting up appropriate offices in Mauritius, including the identification of suitable office space, liaising with the landlord for the arrangement of leases and the provision of comprehensive office support services such as applying for telephone and fax lines as well as IT support, email and internet services.

Employment of a resident staff

ITL has a dedicated Human Resource team that can assist with the recruitment and employment of staff for the GBC1. ITL can also provide payroll services including all necessary registration and filing requirements with the Authorities (Tax Authorities, Social Security etc).

Arbitration Clause in Constitution

We can review the existing constitution of your GBC1 and propose amendments where appropriate to meet the arbitration clause requirement. We shall further assist with the filing of the amendments / adoption of a new constitution with the authorities in Mauritius.



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**Intercontinental Trust Ltd is regulated by the Financial Services Commission in Mauritius.
For any additional information please contact us.**

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