



| ca advocates |
Pourgoura & Aspri LLC



| Contents |

The Firm

Our Legal Services

- | Corporate and Commercial Law
- | Contractual Drafting
- | Property Law
- | Banking & Finance
- | Mergers & Acquisitions
- | Intellectual Property
- | Immigration Law

Our Fiduciary Services

- | Incorporation of Cyprus Companies
- | Establishment of Trusts
- | Establishment of Funds
- | Establishment of Cyprus Investment Firms
- | Registration of Ships under the Cyprus Flag
- | Liquidation of Cyprus Companies

Additional Services



On behalf of the Client (author)

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| **The Firm** |

CA Advocates (Pourgoura & Aspri LLC) is a progressive commercial Law Firm, comprising of a team of dynamic and highly specialised lawyers with diverse and professional backgrounds. Our paramount objective is to offer the highest level of professional and personalised service to the client, yet in a quick, efficient and affordable manner.

By choosing to work with us you are assured to be provided with a complete all round solution regarding your business affairs, as we maintain close relations with vast number of accounting and audit firms in Cyprus and overseas, with all local banks, as well as with a number of law firms in other cities and overseas.

Our Law Firm conducts its business from Nicosia and Limassol, the two largest cities of Cyprus.

| Our Legal Services |

Although we advise on all areas of Cyprus law, we focus mainly on the business side of the legal affairs of investing into and via Cyprus driven by the favourable tax circumstances of Cyprus with core specialisation on commercial, corporate, banking, financing, shipping and real estate law.

| Corporate and Commercial Law |

We are at your disposal to directly, efficiently and quickly answer any question on Cyprus Company and Commercial Law, on corporate governance issues as well as issues relating to reporting and compliance requirements of your company.

Our highly specialised team of lawyers have a very diversified and long standing experience on advising through the issuing of legal opinions and otherwise, drafting, negotiating, and monitoring multimillion worth of transactions both locally and internationally, including among others, re-organisations, mergers, including EU - cross border mergers, joint ventures, acquisitions, project financing, co-operations, shareholders affairs, as well as IPO's on major stock exchanges.





| **Contractual Drafting** |

We specialize in contractual drafting and our aim is to achieve the client's commercial objectives and to provide the highest level of services in a broad range of contractual cases no matter how complex these may be.

Our services comprise of advising on all aspects of contractual issues, drafting of contracts, contract design, assessment and negotiation of contracts of extremely varied types, such as Share Purchase Agreements, Shareholder's Agreements, Agency or Distributorship Agreements, Co-operation Agreements, Confidentiality Agreements, Employment Contracts, Construction Contracts, Finance Agreements, to name a few.

The Firm also has considerable expertise in international contracts and offers advice covering issues of governing and applicable law, choice of jurisdiction and conflict of laws.

| Property Law |

Our Law Firm has extensive experience in real estate transactions and provides all services relating to drafting, negotiation, monitoring and supervision of purchases and sales including the conclusion of deeds of sale (residential and commercial).

We also undertake the transfer of title proceedings, the registration of mortgage bonds, the drafting of loan agreements for property transactions, the structuring of property transactions, the securitization of property purchases, letting of property and hotel developments.

| Banking & Finance |

Our Firm assists companies develop business solutions effectively.

We are in a position to provide advice and conduct the negotiations and drafting of all necessary agreements and supplementary documentation relating to asset, property, project and trade financing.

We further undertake the registration of securities in Cyprus to banks and other financial institutions wishing to secure loans.





| Intellectual Property |

Cyprus offers an intellectual property (IP) regime, which provides tax benefits that are intended to stimulate the growth-driving sectors of IP exploitation and research and development.

Our Law Firm may assist in the following areas:

- Advice on the acquisition, registration and protection of intellectual property
- Franchising and licensing
- Patent, trademark, copyright proceedings and “passing-off” actions

| Immigration Law |

Our Law Firm advises on all matters relating to Immigration Law in Cyprus. We have extensive experience in all relevant matters as listed below:

- Applications for permanent residence permits
- Applications for work permits
- Citizenship applications





| Our Fiduciary Services |

| Incorporation of Cyprus Companies |

A Cyprus company is recognised in law as a legal entity, separate from the persons who form the company and/or the directors and shareholders. It has a separate legal existence and is separate and distinct from its owners. Private Limited Companies are considered as one of the most easily managed and cost effective business structures.

Cyprus company facts:

Share Capital: Although there is no minimum initial share capital requirement, our firm's practice is to incorporate Cyprus companies with 1000 Euros authorised share capital of which the whole amount is issued in shares of 1,00 Euro each.

Shareholders: The minimum number of shareholders is one (1), and this can either be a physical person or a corporate entity. Our firm offers nominee shareholders to hold shares as trustees of the client.

Directors: The minimum number of directors is one (1) and this can either be a physical person or a corporate entity. Although there is no legal requirement relating to the nationality of the directors, we advise that if the Cyprus Company intends to be a tax resident in Cyprus, then at least the majority of the board of directors should be comprised of Cyprus resident directors. Our firm offers nominee directors, corporate and physical persons. It is possible to arrange for the appointment of professional directors at a fee to be discussed according to the circumstances of each client.

Secretary: Although there is no legal requirement relating to the nationality of the secretary, we advise that for practical purposes, the secretary is a Cyprus resident. This can either be a physical person or a corporate entity. Our firm offers nominee secretary services.



Registered office: The registered office is the official physical address of the company and must be in Cyprus. The statutory books and seal of the company must be kept at this location. Our firm can provide a registered office service upon request.

Tax Registration: It is obligatory for all Cyprus companies to be registered with the Tax Authorities upon their incorporation.

Financial Statements: Audited financial statements must be submitted to the Cyprus Tax Authorities within 18 months from the incorporation of the Cyprus Company and once every 12 months thereafter. Our firm is in a position to offer, through associated accounting and audit firms accounting and audit services.

Our services include the incorporation of a Cyprus company, the provision of nominee services including but not limited to the provision of the Registered Office, the Director(s), the nominee Shareholder(s) (if the client requires for a nominee shareholder get issued in favor of the client) and the Secretary. We are also in a position to provide professional directors if required.

We also prepare the necessary documentation for the registration of the Company including the Memorandum and Articles of Association of the Company.

| Establishment of Trusts |

Cyprus has since May 2012, adopted a revolutionary Trust legislation which emerged from the realisation that after 20 years, with the world changing fast, its then modern and state of the art international trust regime with excellent tax mitigation and protection features had fallen behind with numerous restrictions and limitations contained in the original law no longer being necessary. The amending law makes a number of changes to the original law, many of which are relatively technical.

Benefits from the use of a Cyprus International Trust:

- no formal registration is required
- no taxation on any income accrued out of Cyprus or capital gains of the trust
- no estate duty is payable
- complete confidentiality is imposed on the trustees in relation to the disclosure of financial or other information
- the settlor may, through a Cyprus international business company controlled by him, become a trustee or its sole trustee thus effectively managing the trust

The formation of the trust is made by the execution of a Trust Deed by the trustees and the settlor.

The amending law ensures that settlors and beneficiaries enjoy the highest possible degree of protection, due to the clarity of the new provisions and the removal of any ambiguities. The amendments give Cyprus the most updated and favourable trust regime and reinforce the position of Cyprus as an ideal trust jurisdiction within the EU.

Our Firm is in a position to provide either individual Trustees, who are usually qualified advocates, or a Corporate Trustee, through one of our subsidiary companies offering trustee services. It is also possible that a new company is set up specifically for this purpose tailored to the specific needs of the Settlor.

The Trustees will manage the Trust property and will follow the Settlor's wishes as expressed to them in the Letter of Wishes or in subsequent correspondence. The Trustees may invest Trust moneys and again they will be guided by the Settlor and or the Protector.

Our Firm provides a full range of services for the setting up a Trust which include but are not limited to:

- Preparation, drafting and advice of the Trust Deed
- Acting as Trustee of a new or existing Trust

Establishment of Funds

Establishment of Alternative Investment Funds

In July 2014 the House of Representatives approved the enactment of the Alternative Investment Funds Law of 2014 (the “AIF Law”). The AIF Law aligns the Cypriot Investment Funds legal framework with the recent developments in the EU, particularly with the EU Alternative Investment Fund Managers Directive (the “AIFM Directive”), in conjunction with the Alternative Investment Fund Managers Law of 2013 (the “AIFM Law”).

AIF’s, being “non-UCITS” funds, are established under domestic Cyprus fund legislation. However, they are widely recognised internationally and can be sold on a private placement basis to investors subject to compliance with local securities laws.

The AIF Law allows for three different types of AIFs to be registered in Cyprus:

1. AIF’s available to the public in the form of a Company (with fixed or variable capital), a Common Fund, or a Limited Partnership. All three legal forms allow for legally segregated sub-funds to be created and there are no limits to the number of investors.



2. AIF’s available to professional and/or well-informed investors in the form of a Company (with fixed or variable capital), a Common Fund, or a Limited Partnership. All three legal forms allow for legally segregated sub-funds to be created and there are no limits to the number of investors.

3. AIF’s with Limited Number of Persons (the “AIF-LNP”) in the form of a Company (with fixed or variable capital) or a Limited Partnership. Both legal forms allow for legally segregated sub-funds to be created and the maximum number of investors is limited to 75. In essence, the AIF-LNP is a “light-touch” regulated investment fund, representing the most flexible legal form provided by the AIF Law.

Our Law Firm can assist in the establishment of an AIF by acting as advisor (through associate investment firm/advisor) and promoter of the application to CySEC. Specifically we will be in charge to take on the following tasks:

- Preparation of the Application and of the supporting documentation required by CySEC
- Submitting the application with supporting documentation
- Responding to CySEC for any remarks concerning the application
- Liaising between the sponsors and CySEC
- General overview and coordination in connection to the application
- Finalising all approved documentation for the final license acquisition.
- Advising on third party professionals
- Assistance in recruitment process



| Establishment of Cyprus Investment Firms |

The Cyprus Securities and Exchange Commission (CySEC) having the jurisdiction, according to the law, issued several directives regarding the requirements for granting permission for operation as a Financial Services Company. This Law regulates the provision of investment and ancillary services, as well as the performance of investment activities on a professional basis in Cyprus. The Law defines Investment Firms as companies that operate under licence from the relevant regulatory authority, CySEC providing to third parties investment services and activities.



Our Law Firm can assist in the establishment of a CIF by acting as advisor (through associate investment firm/advisor) and promoter of the application to CySEC. Specifically we will be in charge to take on the following tasks:

- Preparation of the Application and of the supporting documentation required by CySEC
- Submitting the application with supporting documentation
- Responding to CySEC for any remarks concerning the application
- Liaising between the sponsors and CySEC
- General overview and coordination in connection to the application
- Finalising all approved documentation for the final license acquisition.
- Advising on third party professionals
- Assistance in recruitment process

| **Registration of Ships under the Cyprus Flag** |

We undertake the incorporation of ship-owning companies, as well as the registration of ships under the Cyprus flag.

The European Commission has approved under EU state aid rules, a proposal by the Cyprus government to impose a special reduced tax (tonnage tax) on Cyprus companies engaged in international maritime transport until 31 December 2019. This tax replaces the corporate tax imposed on companies and provides companies with the option to be taxed on the net tonnage of the fleet that they operate rather than be taxed on the actual profits of their maritime transport activities.

| **Liquidation of Cyprus Companies** |

Our Law Firm team is comprised of licensed insolvency practitioners who are in a position to undertake the procedure of liquidation of Cyprus companies.

The legal and tax context of this booklet remains accurate as at the date of its publication in September 2016.

| **Additional Services** |

In addition to the advertised services contained herein, we are always at our clients' disposal in offering any extra and or ancillary services which may be required in order to provide a complete solution surrounding the clients' business relations.

Our additional services include the following: We may assist with the procedure required in order to obtain work and resident permits for companies' foreign directors, owners or employees.

We may assist with the opening of personal and or corporate bank accounts and undertake the management thereof with all Cyprus banks as well as a number of foreign banks.

Our Firm also provides for the formation of other jurisdiction companies including but not limited to British Virgin Islands, Seychelles, Belize companies.

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