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**CONSOLIDATED TO 11<sup>TH</sup> APRIL, 2022**

**INTERNATIONAL CORPORATE SERVICE PROVIDERS ACT, 2003**

*(Act 10 of 2003)*

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## PART I – PRELIMINARY

### Short title and commencement

1. This Act may be cited as the International Corporate Service Providers Act, 2003 and shall come into operation on such date as the Minister may be notice in the Gazette appoint.

### Interpretation

2. (1) In this Act —

“Authority” means the Financial Services Authority established under the Financial Services Authority Act (Act 19 of 2013);

“connected trust services” has the meaning as defined in Schedule 5;

“Court” means the Supreme Court of Seychelles;

“document” means —

- (a) any writing on any material;
- (b) a book, graph, drawing or other pictorial representation or image;
- (c) information recorded or stored by any electronic or other technological means and capable, with or without the aid of any equipment, of being reproduced;

“fit and proper”, in relation to any person, means that the person satisfies the criteria set out in paragraph 3 of Schedule 3;

“foundation” means a foundation registered under the Seychelles Foundation Act, 2009;

“foundation services” means any of the following services provided in or from within Seychelles —

- (a) services connected with the formation, registration, management or administration of a foundation;
- (b) serving as a registered agent, councillor or protector of a foundation;
- (c) provision of registered office, of a foundation;
- (d) such other services as may be prescribed;

“foundation services licence” means a licence issued under section 3(5) of this Act

authorising. the licensee to carry on the business of providing foundation services;

“international business company” means an international business company incorporated under the International Business Companies Act;

“international corporate services” means the following services provided in or from Seychelles:

- (a) services connected with the formation management or administration of a specified entity;
- (b) serving as a registered agent, director or other similar officer of a specified entity;
- (c) provision of a registered office, place of business or address for a specified entity;
- (d) serving as a nominee shareholder in a specified entity;
- (e) such other services as may be prescribed;

“trustee services” means the following services provided in or from Seychelles:

- (a) services connected with the formation registration or administration of a trust;
- (b) serving as resident trustee of a trust; and
- (c) such other services as may be prescribed;

“international corporate services licence” means a licence issued under section 3 (5) authorising the licensee to carry on the business of providing international corporate services;

“trustee services licence” means a licence issued under section 3 (5) authorising the licensee to carry on the business of providing trustee services:

“licensee” means a person holding a licence under this Act;

“management agreement” means a contractual agreement between a managed service provider and a managing service provider.

“managed service provider” means a licensed licensee under section 3(5) (a) and (c) and subject to condition that its business is carried on or managed by another licensee approved by the Authority.

“managing service provider” means a licensee approved by the Authority to carry on and manage the business of a managed service provider.

“private trust company” means an international business company –

- (a) whose memorandum of association states that it is a private trust company; and
- (b) which shall not conduct any business other than the providing of connected trust services in relation to a trust to which it is a trustee;

“prescribed” means prescribed by regulations made under this Act;

“specified entity” means —

- (a) an international business company;
- (b) a company incorporated in accordance with the Companies (Special Licences) Act;
- (c) a limited partnership established under the Limited Partnerships Act; or
- (d) such other corporate body as may be prescribed.

“trust” means a trust established under the Trusts Act, 2021;

## **PART II – LICENSING**

### **Requirement of licence**

**3.(1)** (i) A person shall not provide —

- (a) international corporate services;
- (b) trustee services; or
- (c) foundation services,

except under and in accordance with a license issued under subsection (5).

(ii) The following persons shall not require a licence to provide services under subsection (1)(i) —

- (a) an employee or director of a licensee who is fit and proper acting as a director, nominee shareholder or an officer for a specified entity or councillor;

- (b) an international business company which is wholly owned and managed by a licensee or managed by a fit and proper person of the licensee acting as a director, nominee shareholder or an officer for a specified entity;
    - (c) an individual appointed as a director of a company holding a special licence under the Companies (Special Licences) Act, unless the Authority informs in writing that the individual serving in that capacity is not approved.
  - (iii) A person shall not be a managed service provider unless —
    - (a) a written management agreement is filed with the Authority; and
    - (b) authorisation has been obtained from the Authority.
  - (iii-a) A private trust company shall not require a licence under this section to provide connected trust services.
  - (iv) A person who contravenes this section commits an offence and is liable on conviction to a fine not exceeding SCR300,000.
- (1A) A person holding an international trustee services licence, on the commencement of the International Corporate Service Providers (Amendment) Act, 2021, shall be deemed to hold a trustee services licence under this Act.
- (2) An application for a licence to provide international corporate services or trustee services or foundation services may be made to the Authority —
  - (a) by a company incorporated under the Companies Act, 1972;
  - (b) in the form provided by the Authority and accompanied by such information and documents as the Authority may specify.
- (3) Each application for an international corporate services licence, trustee services licence or foundation services licence shall be accompanied by the application fee set out in Part 1 of Schedule 4.
- (4)
  - (i) The Authority shall, before granting a licence, ascertain that —
    - (a) the applicant is a fit and proper person:
    - (b) each director and manager of the applicant is a fit and proper person: and
    - (c) the applicant has the necessary financial standing.
  - (ii) The Authority shall —

- (a) notify the licensee or the licence applicant whether or not the proposed director or other members of the managerial staff have been determined by the Authority to be fit and proper persons; and
  - (b) where the Authority determines that a director or any members of the managerial staff has ceased to be fit and proper, the Authority shall notify the licensee of such determination.
- (5) If the Authority is of the opinion that it is in the public interest to approve an application for a licence and the applicant satisfies the requirements of this Act, the Authority may, upon payment of the annual licence fee set out in Part 2 of Schedule 4, issue a licence to provide —
  - (a) international corporate services;
  - (b) trustee services; or
  - (c) foundation services,subject to such terms and conditions as may be specified in the licence, and the Authority shall notify the applicant accordingly.
- (6) The Authority may at any time by written notice to the holder of a licence amend any conditions of the licence or impose additional or other conditions on the licence.
- (7) Where the Authority decides not to grant a licence it shall notify the applicant of that fact and the reasons therefor.

### **Authorisation for providing connected trust services**

- 3A.(1)** A private trust company shall not provide any connected trust services without obtaining authorisation from the Authority.
- (2) A private trust company shall make an application to the Authority for obtaining authorisation under subsection (1) which shall be accompanied with—
    - (a) a declaration stating —
      - (i) the name of the private trust company and its registration number;
      - (ii) the name of its registered agent or company secretary; and
      - (iii) that it is in compliance with the requirements of this section and Schedule 5; and

- (b) an application fee of US\$1,000.
- (3) The Authority may grant or reject the application for authorisation and may at any time revoke the authorisation granted under this section.
- (4) A private trust company shall, on or before the date of each annual anniversary of it being authorised under this section, —
  - (a) file with the Authority a compliance declaration in the form provided by the Authority; and
  - (b) pay an annual fee of US\$1,000.
- (5) Where the annual fee referred to in subsection (4)(b) is not paid within the period specified in that subsection, there shall be payable an additional fee equal to 10 per cent of the annual fee for each month or part thereof during which the annual fee and additional fee remains unpaid.
- (6) A private trust company that files any false, misleading or inaccurate information under subsection (2)(a) or (4)(a) commits an offence and is liable on conviction to fine not exceeding SCR300,000.
- (7) Without prejudice to subsection (6), the Authority may revoke the authorisation granted to a private trust company if the Authority is satisfied that the company has filed any false, misleading or inaccurate information under subsection (2)(a) or (4)(a) and notify the company in writing.
- (8) Sections 5 to 7 and Parts III and IV shall, in so far as practicable, apply to a private trust company authorised under this section as they apply to a licensee under this Act.

### **Restrictions**

**3B.**(1) A private trust company shall not—

- (a) provide any trust services that is not connected trust services; or
  - (b) solicit trust services from members of the public.
- (2) A private trust company that contravenes subsection (1) commits an offence and is liable on conviction to a fine not exceeding SCR300,000.

### **Registered Agent**

**3C.** A private trust company shall ensure that at all times its registered agent is a company which—



- (a) holds both an international corporate services licence and a trustee services licence under this Act; or
- (b) holds an international corporate services licence and is wholly owned by one or more persons who wholly own another company which holds a trustee services licence under this Act.

### **Records to be kept at registered office**

- 3D.** A private trust company shall, in relation to each trust of which it is trustee, keep at its registered office—
- (a) copies of the trust deed, or other document creating or establishing a trust, and any deed or document varying the terms of the trust under the Trusts Act, 2021; and
  - (b) the trust register required to be kept under section 28 of the Trusts Act, 2021.

### **Duration and display of licence**

- 4.(1)** A licence issued under this Act shall be valid unless suspended or revoked by the Authority.
- (2) A licensee shall in January of each year —
- (a) pay the annual licence fee set out in Part 2 of Schedule 3; and
  - (b) lodge with the Authority a compliance form as prescribed by the Authority.
- (3) A licensee who fails to lodge the compliance form together with the payment of the annual licence fee in full on or before the 31st January of any year, is liable to a penalty equivalent to 50% of the annual licence fee for each month or part thereof during which the annual licence fee remains unpaid.
- (4) A license issued under this Act shall be displayed in the premises where the licensee carries on business.
- (5) A licensee who makes a false declaration in the compliance form that the licensee knows or should reasonably have known, commits an offence and is liable on conviction to a fine not exceeding SCR 300,000.

### **Registers of Licensed Service Providers**

- 5. (1)** The Authority shall maintain separate registers of persons licensed as —
- (a) international corporate services providers;
  - (b) trustee services providers; and

(c) foundation services providers,

with the following particulars —

- (i) the name of the licensee;
- (ii) the address of the licensee;
- (iii) the location of the registered office of the licensee;
- (iv) the date on which the licence was issued;
- (v) the expiry date of the licence specified in the licence.
- (vi) any conditions attached to the licence;
- (vii) any suspension of the licence.

(2) The registers maintained under subsection (1) shall be open to inspection by the public.

#### **Notification of changes**

6.(1) A licensee shall give the Authority prior notice in writing of any change referred to in subsection (4): Provided that notice relating to a departure of a director or manager may be given after the event.

(2) The Authority may require the licensee to furnish further information or documents in respect of such change.

(3) The Authority may, within one calendar month of receiving any notification object in writing to the change. Where the Authority raises such an objection, the licensee shall take such action as may be recommended by the Authority. If the licensee fails or neglects to take such action the Authority may suspend or revoke the licence.

(4) For the purpose of this section “change” means —

- (a) a change in the ownership of a majority of the issued shares in the company holding the licence; or
- (b) a change in the beneficial ownership of such shares in the company holding the licence;
- (c) the appointment or departure of a director or manager of the company holding the licence.

## **Restrictions as to names and descriptions**

- 7.(1) No person, other than a licensed international corporate services provider, shall —
- (a) use any word or words, whether in English or any other language, in the name or description under which such person carries on business which suggest or imply that such person carries on the business of providing international corporate services;
  - (b) make any representation in any document or other communication that the person is licensed to provide international corporate services.
- (2) No person, other than a licensed trustee services provider, shall —
- (a) use any word or words, whether in English or any other language in the name or description, under which such person carries on business which suggest or imply that such person carries on the business of providing trustee services;
  - (b) make any representation in any document or other communication that the person is licensed to provide trustee services.
- (2a) No person, other than a licensed foundation services provider, shall —
- (a) use any word or words, whether in English or any other language, in the name or description under which the person carries on business which suggests or implies that such person carries on the business of providing foundation services;
  - (b) make any representation in any document or other communication that the person is licensed to provide foundation services.
- (3) A person who contravenes this section commits an offence and is liable on conviction to a fine not exceeding SCR300,000.

## **PART III – DUTIES OF LICENSEES AND ADMINISTRATION**

### **Duties of Licensees**

- 8.(1) A licensee shall —
- (a) maintain a place of business in Seychelles;
  - (b) maintain accounting books and records which accurately reflect the licensed business carried on by the licensee;
  - (c) maintain such records and documents relating to its business or clients as may be

required by or under this Act or any other law of Seychelles;

- (d) ensure that any monies or other assets that it holds for or on behalf of any entity to which it provides services under this Act, are designated and clearly identified as client funds excluding any monies paid to the licensee for services rendered, products sold or expenses incurred by the licensee;
  - (e) ensure that, where any client funds are held for a period exceeding 30 days, they are kept separate from the licensee's own funds (including any office bank account maintained by it) in an account designated as a client account unless the relevant entity instructs otherwise in writing;
  - (f) maintain separate accounts in the books and records to be maintained under subsection (1) (b) in respect of any client funds distinguishing the same from the licensee's own funds.
- (2) A licensee shall have and maintain an issued and fully paid up share capital as set out in Schedule 5.
  - (3) The Code of Practice of Licensees set out in Schedule 3 shall, subject to such exemptions as may be notified in writing by the Authority, bind all licensees under this Act.

### **Auditing of accounts**

- 9.(1) A licensee shall have its accounts audited annually and at such other times as the Authority may require by a qualified auditor in accordance with internationally accepted accounting standards. For the purpose of this section, "qualified auditor" has the same meaning as in the Companies Act, 1972.
- (2) A true copy of the licensee's audited accounts shall be furnished by the licensee to the Authority within six months of the end of the financial year of the licensee, or within Such longer period as may be allowed by the Authority.
- (3) Licensee who fails to comply with subsection (2) shall be liable to a penalty of SCR 500 for each day or part thereof during which the default continues.

### **Functions of the Authority**

- 10.(1) The Authority shall monitor the provisions of services. by licensees and whenever necessary make enquiries or examine any documents or records of any licensee for the purpose of ensuring that this Act is complied with by the licensee.
- (2) The Authority may for the purposes of subsection (1) —
  - (a) direct a licensee or a director or manager of a licensee to—

- (i) provide such information, documents or explanations in relation to the licensee, its business and clients; or
    - (ii) produce for examination any books, records or other documents required to be held by the licensee under this Act.
  - (b) inspect the books, records or other documents of the licensee, its business and clients; and
  - (c) access the premises of a licensee for the purpose of conducting an inquiry or examination under this Act.
- (3) A person who impedes, prevents or obstructs the Authority or any of its employees or authorised agent in the conduct of an inspection commits an offence and is liable on conviction to a fine not exceeding SCR 300,000.

### **Delegation by Authority etc.**

- 11.(1) The Authority may delegate, in writing, any of its functions under this Act, except the power conferred by this section, to any member, officer or employee of the Authority.
- (2) A delegation under subsection (1) may be revoked at any time by the Authority and shall not prevent the performance of such functions by the Authority at any time.
- (3) The Authority may engage the services of any person for conducting an investigation, inquiry or examination for the purposes of this Act.

### **Confidentiality**

- 12.(1) Subject to subsection (2), the Authority or any employee or agent of the Authority shall not disclose any information or document acquired in the performance of its, his or her duties under this Act in respect of any licensee or the affairs of any licensee or any client of a licensee.
- (2) Subsection (1) shall not apply to any disclosure —
- (a) required by any Court in Seychelles or under any law of Seychelles;
  - (b) in respect of the affairs of a licensee or of a client of a licensee, with the consent of the licensee or client as the case may be;
  - (c) where the information disclosed is already in the public domain; or
  - (d) where the information disclosed is in statistical form or is conveyed in such a manner that the identity of any licensee or any client of a licensee to which the information relates cannot be ascertained.

## **Directions and guidelines**

- 13.(1)** The Authority may, for the purpose of the performance of its functions under this Act—
- (a) issue directives, guidelines or codes which shall be binding on the licensee;
  - (b) request any licensee or a director or member of its managerial staff to furnish the Authority with such information or documents as the Authority may specify.
- (2) Any person who fails to comply with this section shall be liable to pay a penalty of SCR 500 for each day or part thereof during which the default continues.

## **PART IV – ENFORCEMENT**

### **Suspension**

- 14.(1)** Where the Authority has reason to believe that a licensee is:
- (a) carrying on its business under the licence in a manner detrimental to the public interest, or to the interests of its clients;
  - (b) in contravention of the provisions of sections 6 to 13;
  - (c) in breach of the Code of Practice of Licences under Schedule 3;
  - (d) in breach of any regulations made under this Act or any other law;
- the Authority may:
- (i) require the licensee to take such steps as the Authority deems necessary to comply with the law; and
  - (ii) specify the period of time for such steps to be taken; or
  - (iii) suspend the licence.
- (2) A suspension shall not exceed a period of thirty days unless ordered by the Court upon the application of the Authority. Any application to the Court shall specify:
- (a) the grounds on which the Authority contends that the suspension should continue;
  - (b) known particulars of any objections made by the licensee.
- (3) Any period of suspension ordered by Court shall not exceed three months.

- (4) The Authority may revoke a suspension under subsection (1)(iii) at any time, and the Court may on an application made in that behalf revoke an order made under subsection (2).
- (5) At the expiration of the 30 days following the suspension of a licence, the Authority shall re-instate the licence unless —
  - (a) the suspension is extended by an order of the Court; or
  - (b) the licence is immediately revoked by the Authority.

## **Revocation**

**15.(1)** The Authority may revoke a licence if—

- (a) the Authority has reason to believe that the licensee is carrying on business under the licence in a manner detrimental to the public interest or to the interests of its clients;
- (b) the Authority is satisfied that the licensee has contravened any provision of this Act or any regulation made thereunder or any directions or guidelines issued by the Authority or the provisions of any other law;
- (c) the Authority is satisfied that the licensee is in breach of any condition of the licence;
- (d) the licensee has ceased to carry on business under the licence;
- (e) the licensee is insolvent or enters into liquidation or administration or is wound up or otherwise dissolved or it is very likely that any of the aforementioned events may soon occur;
- (f) the Authority is satisfied that the licensee or any director or manager of the licensee has ceased to be a fit and proper person;
- (g) the Authority is satisfied that the licensee has furnished false or misleading information to the Authority;
- (h) the licensee or a director or a manager of the licensee has been convicted under a law relating to money-laundering or financing of terrorism;
- (i) the Authority is of the opinion that such action is necessary to protect the good repute of Seychelles as an international financial services centre;
- (j) the licensee or a director or other member of the managerial staff of the licensee has been convicted of an offence involving fraud, theft or dishonesty or has been

convicted under a law relating to money laundering or financing of terrorism;

- (k) the licensee has failed to lodge the compliance form and pay its annual licence fee and any penalties due under section 4 of this Act.
- (2) The Authority shall give written notice of the revocation to the licensee.
- (3) Except where a licence is revoked under section 14 (5)(b), the Authority shall before revoking a licence under subsection (1), issue a written notice of its intention to revoke the licence to the licensee.
- (4) A notice issued under subsection (3) —
- (a) shall specify —
    - (i) the grounds on which the Authority intends to revoke the licence.
    - (ii) that the licensee shall within 14 days from the date on which the notice is given to the licensee, make written submissions to the Authority in order to show cause as to why the licence should not be revoked; and
    - (iii) that the Authority shall make its determination of whether or not the licence is to be revoked within 7 days from the expiry of the 14 day period referred to in paragraph (a)(ii).
  - (b) The licensee shall not operate where notice is issued under subsection (3) —
    - (i) for a period of 21 days from the date on which the notice is given to the licensee; or
    - (ii) until the date on which the Authority notifies the licensee or former licensee of its determination under subsection 4(a)(iii).
- (5) The Authority shall in writing inform the licensee —
- (a) of a determination by it under subsection (4) (a) (iii); or
  - (b) of a revocation under subsection (1).
- (7) An application to Court against a revocation under this section shall not operate as a suspension of the revocation unless the Court deems fit to make an order to the contrary.



## **Offences**

- 16.(1) A person who contravenes a provision of this Act commits an offence, and where no penalty is provided for, the person is liable on conviction to a fine not exceeding SCR300,000.
- (2) *Repealed.*
- (3) Where an offence under this Act is committed by a body corporate and a director or other officer has knowingly authorized, permitted or acquiesced in the commission of the offence, the director or other officer also commits the offence and is liable on conviction to a fine of the same amount as applicable to the body corporate.

## **Review and appeal**

- 17.(1) An application may be made to the Court for the review of any decision of the Authority—
- (a) to refuse to grant or renew a licence under this Act;
  - (b) to suspend a licence under section 17;
  - (c) to revoke a licence under section 18.
- (2) An application shall be made within three months after the services by the Authority of the notice of the decision of the Authority.
- (3) An appeal may be preferred to the Court of Appeal against the decision of the Court on any application.

## **Further enforcement action**

- 17A. Any enforcement action taken by the Authority under this Part shall be without prejudice to the right to take further or other enforcement action.

## **PART V – MISCELLANEOUS**

### **Exemptions and concessions**

- 18.(1) From and after the commencement of this Act any licensee under this Act shall be entitled to the exemptions and concessions set out in Schedule 2.
- (2) The exemptions and concessions granted under this section shall remain in force for a period of fifteen years from the date of commencement of this Act, and shall continue in force thereafter unless a law provides otherwise.

## **Immunity**

- 19.** No action, prosecution or other proceeding shall be brought against the Minister, the Authority, or an employee or agent of the Authority in respect of any act done or omitted to be done in good faith in the proper discharge of functions under this Act.

## **Regulations**

- 20.** The Minister may, after consulting the Authority, make regulations for the purpose of carrying out and giving effect to the provisions of this Act or amending any Schedule to this Act.

## Schedule 1

Section 18(1)

1. Notwithstanding anything to the contrary in any of the Acts and the Decree specified in column 1 the taxes, contributions or fees as the case may be referred to in the corresponding entry in column 2 calculated in the manner therein specified, shall be paid by each licensee.

Column 1	Column 2
(a) Trades Tax Act	(i) All furniture, stationery and equipment imported for the use of an office of a licensee and used only for the licensed activity shall be liable to trades tax under the Trades Tax Act at the rate of 5%.  (ii) One motor vehicle of an engine capacity not exceeding 1 800cc imported for use in connection with the licensed activity shall be liable to trades tax at the rate of 75%.
(b) Income and Non-Monetary Benefits Tax Act	The provisions of the Act shall not apply in respect to any income derived from services provided by a licensee.
(c) Immigration Decree	A licensee shall be entitled to employ expatriate employees up to 50 per centum of the total number of its employees and the gainful occupation permit fee shall be R375, per employee per month.

2. *Repealed.*
3. Payments received by the licensee in respect of the activities authorised under the licence and goods imported into Seychelles by the licensee solely for use by the licensee in the activities authorised under the licence shall be exempt from Goods and Services Tax.

## SCHEDULE 2

Section 8(3)

### CODE OF PRACTICE OF LICENSEES

1. A licensee shall at all times be able to identify —
  - (a) its clients;
  - (b) the directors, members and beneficial owner of each company to which the licensee provides international corporate services;
  - (c) the trustee, beneficiary and settlor of each trust to which the licensee provides trustee services;
  - (d) the councillor, beneficiary, founder, protector of each foundation to which the licensee provides foundation services;
  - (e) the partners of each limited partnership to which the licensee provides international corporate services.
2. Every licensee shall have a duly executed written agreement with its clients relating to the provision of services under the licence. The agreement shall include among other matters provisions relating to charging, calculation recovery and revision of fees conditions of termination of services and any consequential refund of fees; and arrangements for payment to the client of interest received on the client's money.
3. All directors and members of the managerial staff of a licensee shall be and remain fit and proper persons as determined by the Authority.

In determining whether a person is a fit and proper person for the purpose of this Act regard shall be had to —

  - (a) the person's probity, competence, experience and soundness of judgement for fulfilling the responsibilities of the relevant position;
  - (b) the diligence with which the person is fulfilling or likely to fulfil those responsibilities;
  - (c) whether the interests of clients of the licensee are likely to be threatened by the person's holding of that position;
  - (d) the person's educational and professional qualifications and membership of professional or other relevant bodies;

- (e) the person's knowledge and understanding of the legal and professional obligations to be assumed or undertaken:
  - (f) the person's procedures for vetting of clients: and
  - (g) any evidence that the person has —
    - (i) committed any offence involving dishonesty or violence:
    - (ii) contravened any law designed to protect members of the public arising from dishonesty, incompetence, malpractice or conduct of discharged or undischarged bankrupts or otherwise insolvent persons.
  - (h) (i) the completed questionnaire approved by the Authority for the assessment of fit and proper status; and
    - (ii) any further documents or information required by the Authority.
- 4.** Except in the case of a managed service provider the services under a licence shall be conducted by at least two individuals who are directors or other members of the managerial staff of the licensee, who shall be resident, and based in the office of the licensee in Seychelles.
- 5.** A licensee shall have in place well-documented control systems and procedures suitable to the level and scope of its business and ensure that its managerial staff and other employees perform their duties in accordance with those systems and procedures.
- 6.** A licensee shall be able and prepared to meet all its liabilities (taking into account contingent and prospective liabilities) as they fall due and be able to continue in operation for the foreseeable future.
- 7.** A licensee shall give the Authority 28 days notice in advance of the proposed appointment of a director or member of the managerial staff so that the Authority may determine whether or not the appointment may proceed. The prospective appointee may be required to complete a questionnaire requiring such information as the Authority may need to make its determination.
- 8.** A licensee shall notify the Authority—
- (a) of any legal proceedings brought against the conduct of its licensed activities in any jurisdiction where the amount claimed or disputed is likely to exceed R60,000, and provide a brief summary of the case: Provided that it shall not be required to disclose any information subject to legal privilege;
  - (b) of any criminal proceedings against the licensee or any related company of the licensee as soon as it becomes aware of the bringing of such proceedings.

- 9.** A licensee shall notify the Authority as soon as it becomes aware of the conviction of the licensee, an associate company of the licensee company, or any of its employees for any offence relating to—

  - (a) any business activity;
  - (b) the formation, management or administration of companies in any jurisdiction;
  - (c) insolvency; or
  - (d) fraud or dishonesty.
- 10.** A licensee shall notify the Authority whenever the licensee or any of its directors or any member of its managerial staff is formally sought to be disqualified or is disqualified from functioning as a company director or a secretary under any law.
- 11.** A licensee shall notify the Authority as soon as it becomes aware of any summons, warrant or order of Court under the Criminal Procedure Code, Misuse of Drugs Act, Anti-Money Laundering Act or any other prescribed Act concerning the affairs of either the licensee or any of its client companies.
- 12.** A licensee shall notify the Authority and provide a brief summary where possible of the case as soon as it becomes aware of the institution of criminal proceedings against, or the conviction of a client company, any officer of a client company or the beneficial owner of a client company in relation to any proceedings relating to that client company in any jurisdiction.
- 13.** A licensee shall notify the Authority immediately of serious disciplinary action it takes against any member of its managerial staff. Full details of such action shall be furnished to the Authority. In this paragraph “serious disciplinary action” includes any action taken in cases of fraud, theft, dishonesty or malpractice.
- 14.** Whenever as a result of any serious or prolonged breakdown in a licensee’s administrative system the licensee is unable to maintain proper records it shall inform the Authority thereof immediately.
- 15.** Where a licensee decides involuntarily to cease to carry on business under the licence, it shall notify the Authority not less than 28 days before giving effect to the decision and details of arrangements it has made to ensure an orderly winding up or transfer of its client’s business.
- 16.** A licensee shall notify the Authority not less than 28 days in advance of a proposed merger or take-over affecting its business.
- 17.** A licensee shall notify the Authority of any of the following events —

- (a) it is no longer able to continue in operation as going concern;
  - (b) action is initiated to wind up the licensee company;
  - (c) a receiver, liquidator or administrator is appointed in respect of the licensee company;
  - (d) composition or arrangement is made with its creditors;
  - (e) the refusal or revocation of any legal authorization applied for or held by the licensee in respect of any other business;
  - (f) institution of an official inquiry into the affairs of the licensee.
- 18.** Every licensee shall ensure that any complaint received by it relating to the conduct of its business is—
- (a) acknowledged;
  - (b) registered;
  - (c) investigated promptly and thoroughly; and
  - (d) appropriate action is taken and recorded.
- 19.**(1) A licensee shall use its best endeavours to avoid any conflict of interest between itself and its clients and between one client and another.
- (2) Where such a conflict does arise the licensee shall notify the client or each of the clients concerned of this fact.
- (3) Unless all clients with conflicting interests in any matter agree to the licensee continuing its services to the other clients concerned the licensee shall discontinue its services to all the clients concerned.
- 20.** A licensee shall ensure that any advertisement that it publishes or causes to be published—
- (a) does not damage the good image of the Republic;
  - (b) contains a fair and accurate indication of the services it provides.
- 21.** Where a licensee discontinues its services to a client company for any reason —
- (a) it shall inform such company in writing; and

- (b) preserve the client's company records until such time as they are handed over to a successor; and
  - (c) cooperate with the client and such successor to ensure a smooth transition.
- 22.** A licensee shall have in place adequate business resumption or contingency provisions designed to safeguard the interests of its clients.
- 23.** A licensee shall, to the satisfaction of the Authority, hold and maintain an insurance for the licensee's business and its employees.
- 24.** A licensee shall deal openly and honestly and co-operate with the Authority.



## **SCHEDULE 3**

Sections 3(3) and 4(3)(a)

### **PART 1 APPLICATION FEES**

An application for—

- (a) an international corporate services licence: US\$400
- (b) a trustee services licence: US\$400
- (c) a foundation services licence: US\$400

### **PART 2 ANNUAL LICENCE FEES**

1. Except in the case of a managed service provider the annual licence fee of —
  - (a) an international corporate services licence: US\$2,500;
  - (b) a trustee services licence: US\$2,500;
  - (c) a foundation services licence: US\$2,500;
  - (d) a company holding licences for services under (a), (b) and (c): US\$6,000.
2. (a) in the case of a managed service provider the annual licence fee of —
  - (d) an international corporate service licence: US\$7,500;
  - (ii) a foundation service licence: US\$7,500;
  - (b) a company referred to in paragraph (1) holding both licences in subparagraphs (a) (i) and (ii) shall pay a total annual licence fee of US\$10,000.
3. If a licence under this Act is not first granted in the month of January, the first annual licence fee payable under this Act shall be reduced on a quarterly pro-rata basis, calculated having regard to the quarter in which the licence was first granted.

## SCHEDULE 4

Section 8(2)

### MINIMUM ISSUED AND PAID UP SHARE CAPITAL REQUIREMENTS

1. A licensee providing international corporate services shall have and maintain a fully paid up share capital of not less than 150,000 rupees;
2. A licensee providing foundation services shall have and maintain a fully paid up share capital of not less than 200,000 rupees;
3. A licensee providing trustee services shall have and maintain a fully paid up share capital of not less than 250,000 rupees,

or its equivalent in any other convertible currency.

## SCHEDULE 5

### CONNECTED TRUST SERVICES

**1. Connected trust services.—**

“connected trust services” means the trust services provided in respect of—

- (a) a single trust where each beneficiary of the trust is—
  - (i) a connected person in relation to the settlor of the trust; or
  - (ii) a charity; or
- (b) a group of two or more connected trusts;

**2. Interpretation.—** (1) For the purposes of this Schedule—

“connected person” has the meaning specified in paragraph 3;

“connected trusts” means as defined in subparagraphs (2) and (3);

“group of companies” comprises, subject to subparagraph (4), every company which, directly or indirectly, is a subsidiary of the same holding company, and such group includes the holding company;

“settlor” means a settlor as defined in the Trusts Act, 2021;

“trust” means a trust created or established and registered in accordance with the Trusts Act, 2021;

“trust services” means the provision of trustee services, whether provided in or outside Seychelles.

- (2) A trust (the first trust) is connected to another trust (the second trust) where the settlor of the first trust is a connected person with respect to the settlor of the second trust.
- (3) A group of two or more trusts are connected trusts where each trust in the group is connected to all of the other trusts in the group.
- (4) A company shall be treated as a subsidiary (“the subsidiary”) of another company (“the holding company”) where—
  - (a) the holding company is a member of the subsidiary and controls the composition of the board of directors of the subsidiary;
  - (b) the holding company, directly or indirectly, controls more than half of the votes which may be cast at general meetings of the subsidiary; or
  - (c) the subsidiary is a subsidiary of any other company which is itself a subsidiary of the holding company.
- (5) In subparagraph (4)(a), the composition of the board of directors of a company shall be treated as controlled by another company if that other company, by the exercise of some power, without the consent or concurrence of any other person, can appoint or remove all or a majority of the directors.

**3. Connected persons.**— (1) For the purposes of this Schedule, a person is a connected person in relation to another person if—

- (a) each is in a group of companies;
- (b) one is a company and the other is a beneficial owner of shares or other ownership interests of that company or of any other company in the same group of companies;
- (c) each is the trustee of a related trust; or
- (d) one individual is related to the other by virtue of any of the following relationships—
  - (i) spouse;
  - (ii) descendants of the individual and their spouses;

- (iii) parents, including step-parents;
- (iv) grandparents;
- (v) parents-in-law, including step-parents-in-law;
- (vi) brother, step-brother, sister, step-sister and their spouses and children;
- (vii) spouse's grandparents;
- (viii) spouse's brother, step-brother, sister, step-sister and their spouses and children;
- (ix) parent's brother, step-brother, sister, step-sister and their spouses;
- (x) children of the brother, step-brother, sister or step-sister of the individual's parents, both present and future, including step-children and their spouses;  
or
- (xi) children of the individual's brother, step-brother, sister or step-sister, both present and future, including step-children and their spouses.

- (2) For any of the relationships specified in subparagraph (1)(d) that may be established by affinity or consanguinity, that same relationship may be established by adoption.
- (3) In subparagraph (1)(d)(ii), the terms "descendants of the individual", means the individual's children, the children of his children, the children of those children, and so on.
- (4) In subparagraph (3), "children" includes step-children.