

SETTING UP IN CYPRUS

THE LEGAL REGIME

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SETTING UP A FAMILY OFFICE

Why Set Up a family office?

- Family Succession and Estate Planning
- Financial and Tax Planning
- Family governance
- Family Education

Family Offices come in all shapes and sizes, just like real families do!

THE CYPRUS INTERNATIONAL TRUST

The most popular asset protection vehicle.

- What is the Cyprus International Trust?

Key Persons:

- **The Trustee**
- **Settlor**
- **Protector**
- **Beneficiary**

Formal Requirements :

- (a) Comply with the residency requirements of the Cyprus International Trust Law ;
- (b) The 3 certainties requirement;
- (c) Register with the relevant competent authority;
- (d) Stamp duty.

The legal benefits:

- Protection of assets from inheritance /succession laws (forced heirship/claw back rules);
- Protection of assets from third party claims;
- Flexibility and wide investment capabilities by the Trustee;
- The Settlor may maintain control over the trust by reserving powers to himself;
- The duration of the trust is unlimited;
- Confidentiality.

The tax benefits:

- If the beneficiary is non-resident in Cyprus and receives income from sources outside of Cyprus, he will not be liable to tax in Cyprus;
- No withholding taxes on payments to beneficiaries provided that they are not resident in Cyprus;
- No capital gains on the disposal of assets or property, apart from the disposal of immovable property situated in Cyprus;
- Interest or Dividends received by a non-resident beneficiary will not be subject to taxation in Cyprus.
- No Estate Duty is payable by a Cyprus International Trust.

RE-DOMICILIATION

Reasons to re-domicile your company to Cyprus

- Favourable Tax Regime ;
- To enter into a jurisdiction within the European Union ;
- Ability to maintain the Company's current status;

Procedure for Re-Domiciliation

1. The country in which the company is registered must allow for re-domiciliation;
2. The Articles of Association of the Company;
3. Local Representative;
4. Application to the Registrar of Companies and filing of the necessary supporting documentation;

Procedure for Re-Domiciliation

5. Licence;

6. Public Companies;

7. Certificate of Temporary Continuation ;

8. Certificate of Permanent Continuation;

EUROPEAN COMPANIES (SE)

Forming an SE

- Formation by Merger ;
- Formation of a holding SE ;
- Formation of a subsidiary SE ;
- Converting a public limited liability company into an SE.

Minimum Share Capital

- 120 000 EURO

Managing and Controlling SEs

One-tier or two-tier system of administration.

- in a one-tier system, management is undertaken by an 'administrative organ'
- in a two-tier system, management is undertaken by a 'management organ' and a separate 'supervisory organ' supervises the work of the management organ

WHY FORM AN SE?

- A simpler and cheaper way to run business across more than one EU country;
- Greater mobility on the single market;
- A framework for cross-border operations.

CROSS-BORDER MERGERS

Why merge?

- Empowerment of business;
- More Effective Management ;
- Lower running expenses;
- Tax beneficial jurisdiction;
- The acquired company is being dissolved without going into liquidation;
- Legal certainty as to the result.
- Tax Free

Merger Directive 2005/56/EC

- Uniform and simplified procedure ;
- Companies incorporated under the laws of a Member State;
- At least two of them must be governed by the laws of a different Member State;
- Three (3) ways to 'merge'.
 - Absorption
 - Formation of a new company
 - Parent –subsidiary

IMMIGRATION – FOR THIRD COUNTRY NATIONALS

- The Non- Dom concept;
- Fast Track Citizenship;
- Permanent Residence permit;
- Work permits;

THANK YOU!

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