

Re-Domiciliation of Cyprus Companies Abroad

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The Companies Law, Cap. 113, as amended from time to time (Law), enables a Cyprus company to redomicile and continue its operations under the jurisdiction of another country, provided that the laws of the country in which the company wishes to redomicile permit re-domiciliation and the company has obtained prior consent from the Registrar of Companies in Cyprus (Registrar) through the relevant application.

Preliminary Requirements

In order to effect the re-domiciliation of a Cyprus company in another jurisdiction the following preliminary requirements must be satisfied:

1. The Memorandum of Association and the Article of Association (M&AA) of the company must include a provision which states that the company is allowed to redomicile. In the absence of such provision, the M&AA must be amended accordingly;
2. The company must obtain a tax, VAT and social insurance clearance certificate;
3. The company must ensure that the submission of the annual returns to the Registrar is up to date and that all annual fees payable under the Law have been paid;
4. Where the company carries out activities within or from Cyprus which require a specific permit/ license, the company must obtain consent from the competent authority(ies) of the country it wishes to redomicile for the continuation of the company's activities abroad;
5. The name of the company must be approved by the relevant foreign authority in order to ensure its availability in the foreign jurisdiction;
6. The company must ensure that no court cases or liquidation procedures exist against it before taking any further action.

Required Documentation

Upon satisfaction of the aforementioned preliminary requirements, the company must prepare the following documents:

1. A special resolution by the shareholders of the company approving the interim financial statements of the company and the re-domiciliation;
2. A board resolution approving, among other, the re-domiciliation of the company conditional upon the shareholders' special resolution approval;
3. A declaration of solvency which must be signed by at least two directors, duly authorized by the board of directors or, if the board of directors comprises of only one director, by the company's sole director;
4. A statement which must be signed by at least two directors, duly authorised by the board of directors or, if the board of directors comprises of only one director, by the company's sole director, and must include the following:
 - a) the name of the company under which it wishes to be registered in the foreign jurisdiction;
 - b) place of the proposed registration of the company;
 - c) name and address of the competent authority in the foreign jurisdiction;
 - d) date on which it is proposed to establish the company in the foreign jurisdiction.

The company must publish a notice stating the facts of the abovementioned special resolution in two daily newspapers of wide circulation in Cyprus. The Registrar shall grant its consent for the company's re-domiciliation three months after the date of publications. Creditors are able to file an objection regarding the re-domiciliation of the company during the three-month period.

Application Procedure

1. The company must complete, sign and submit the relevant application for re-domiciliation (ME2 Form) to the Registrar accompanied, among other, by the documents stated above.
2. Once the Registrar is satisfied with the application, it shall grant its consent for the re-domiciliation of the company outside Cyprus by issuing a Certificate of Continuation.
3. The Certificate of Continuation must then be submitted to the Registrar and will be used to remove the company from the register of companies in Cyprus. Once removed, a Striking-Off Certificate will be issued, and the company will no longer exist in Cyprus.
4. The Striking-Off Certificate will be sent to the foreign competent authority(ies) in order to finalize the re-domiciliation of the company.

Royal Pine provides support to its clients throughout the entire process for a successful re-domiciliation of a Cyprus company in a foreign jurisdiction. For more information please contact: info@royalpine.com



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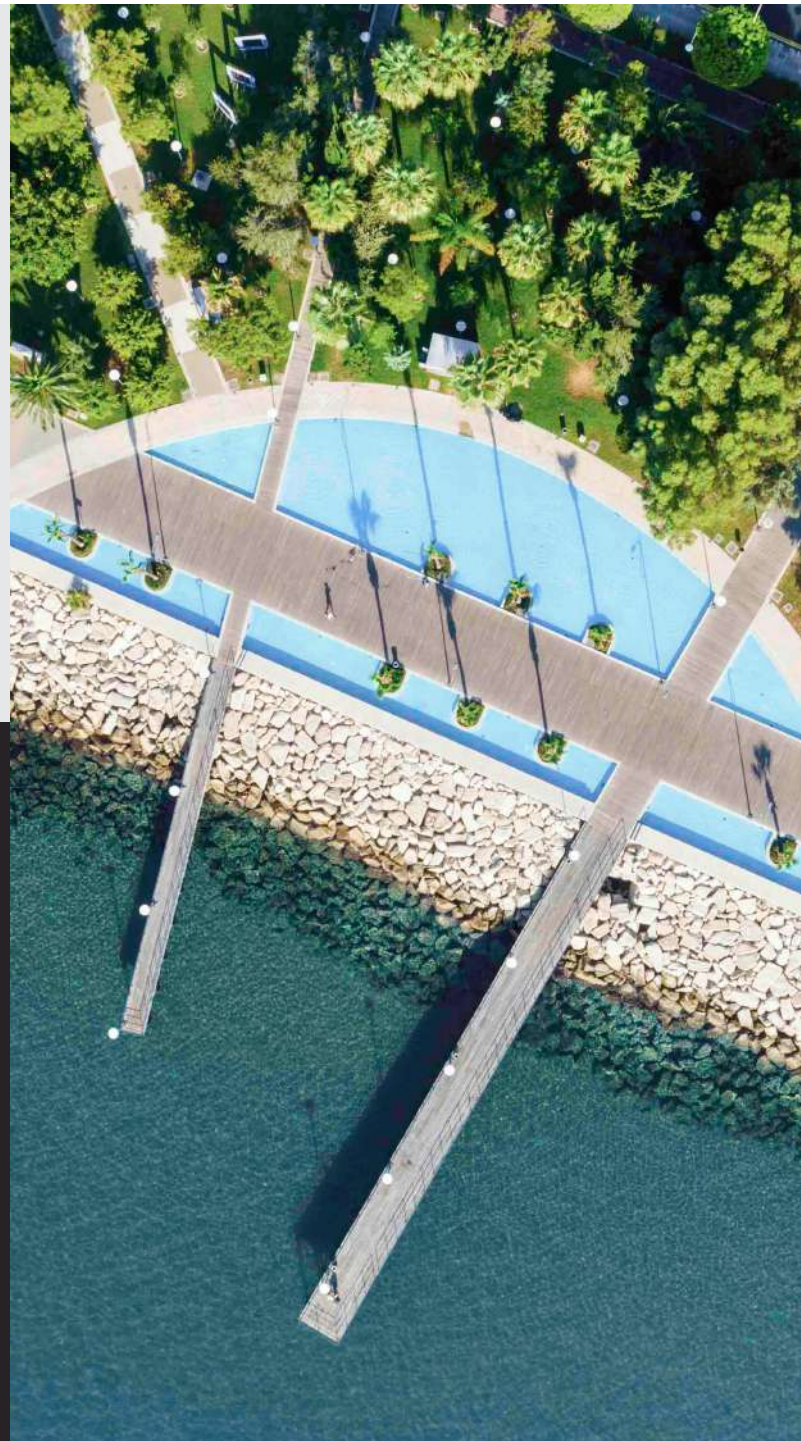
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