

# **Handling non-Resident RMI Corporations from a Practitioner's point of view**

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## **Contents**

**A. Introduction**

**B. General Information**

**C. Stages in the existence of a MI company**

**D. Conclusion**

## 1. Limited compulsory filing requirements

2. Optional filings
3. Possibility of recording of documents with the registered agent of a MI co.
4. Possibility of obtaining a good standing certificate
5. Payment of annual registration fee
6. No requirement to prepare and file to any authorities in the MI any financial statements.
7. No tax
8. Corporate names
9. Purpose and powers
10. Seal
11. Directors and Officers
12. Registered address/registered agent
13. Cap tax
14. Apostilles are available
15. Possible to issue bearer shares
16. Registered shares held in trust
17. Bank accounts
18. Nominal value and currency
19. Shelf companies

## General Information

### Compulsory documents to be filed

- The articles of Incorporation
- Articles of amendment of The Articles of Incorporation
- Certificate of Correction
- Articles of Dissolution
- Articles of Revocation of dissolution
- Certificate of merger
- Articles of Domestication
- General Notes on filing
  - Dual language (not only English)
  - Most acceptable by fax or email
  - Filed documents are public records

1. Limited compulsory filing requirements

## 2. Optional filings

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# General Information

## Optional documents that can be filed

- The certificate of directors/officers/shareholders
- The By-Laws
- Minutes/ resolutions/Powers of Attorney

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19. Shelf companies

## General Information

### Possibility of recording of documents

- The By-Laws
- Minutes/resolutions/powers of attorney
- Certificate of incumbency issued by the registered agent of the company.

Note: Recorded documents do not appear as public records.

# General Information

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18. Nominal value and currency
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## Good standing certificate

- To confirm the company is in subsistence and all the fees and dues have been paid.



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# **General Information**

## **Annual Registration Fee**

- Currently USA \$450
- Not payable during first year.
- If not paid for two years then the Registrar begins dissolution proceedings.

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## Reporting to the MI authorities

- There is no requirement to prepare and file Financial Statements.

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# General Information

## No tax

- Non-resident MI companies are exempt from taxation other than the payment of the fees for the filing and issue of documents, the annual registration fee and the Cap tax
- Certificate of Tax exemption



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9. Purpose and powers
10. Seal
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# **General Information**

## **Approval of Corporate names**

- Very flexible provided that:
  - Name includes corporate identifier (e.g. corporation, limited, etc..)
  - Not identical to another name on the Register
  - Not same as major international brand names (e.g. Coca Cola, etc..)

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# **General Information**

## **Purpose and Powers**

- Articles can be very general about the purpose of the company. (Any lawful act or activity..)
- Special regulations apply for the conduct of banking, insurance and trust services.

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11. Directors and Officers
12. Registered address/registered agent
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## Seal

- The creation and use of a company seal is optional

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# General Information

## Directors and Officers

- **The Board of Directors has the power to manage all the affairs of the company, unless specifically restricted and/or regulated in the Articles.**
- **Directors (and Officers) can be of any nationality, M.I. resident or not, shareholders or not, natural persons or corporations.**
- **Any number is allowed and may be fixed as appropriate and subsequently amended.**
- **Directors should normally be re-appointed at each annual shareholders' meeting, unless otherwise replaced, or their term expires.**
- **Can have different classes of Directors (voting rights, term, etc..)**
- **Board meetings can be held at any place.**
- **Board decisions can be taken without a physical meeting, provided all the Directors consent in writing.**
- **Officers – need at least a Secretary.**

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8. Corporate names
9. Purpose and powers
10. Seal
11. Directors and Officers

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14. Apostilles are available
15. Possible to issue bearer shares
16. Registered shares held in trust
17. Bank accounts
18. Nominal value and currency
19. Shelf companies

# General Information

## Registered address/registered agent

- All M.I. Companies have the same registered address
  - (The Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, MH96960 Marshall Islands)
- All M.I. non-resident Companies have the same Registered Agent upon whom process/notice or demand may be legally served.
  - (The Trust Company of the Marshall Islands, Inc.)



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8. Corporate names
9. Purpose and powers
10. Seal
11. Directors and Officers
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15. Possible to issue bearer shares
16. Registered shares held in trust
17. Bank accounts
18. Nominal value and currency
19. Shelf companies

# General Information

## Cap tax

- Payable if authorised capital exceeds either 500 shares of no par value, or shares of total par value of US\$50.000 or more.
- It is calculated according to a tax-calculator available on the registry website.
- It has remained unchanged for many years.

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16. Registered shares held in trust
17. Bank accounts
18. Nominal value and currency
19. Shelf companies

# **General Information**

## **1. Apostilles**

- They are available at no fee.
- Members of our firm are appointed special agents of the MI and can legalize documents by Apostille.

# General Information

## Bearer shares possible

- Anonymity
- Simple change of ownership

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8. Corporate names
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10. Seal
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16. Registered shares held in trust
17. Bank accounts
18. Nominal value and currency
19. Shelf companies

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8. Corporate names
9. Purpose and powers
10. Seal
11. Directors and Officers
12. Registered address/registered agent
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## **16. Registered shares held in trust**

17. Bank accounts
18. Nominal value and currency
19. Shelf companies

# General Information

## Registered shares held in trust

- Our firm can prepare trust deeds for the holding of registered shares in trust.

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9. Purpose and powers
10. Seal
11. Directors and Officers
12. Registered address/registered agent
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## **17. Bank accounts**

18. Nominal value and currency
19. Shelf companies

# General Information

## Bank accounts

- MI companies accepted by banks in Cyprus and worldwide, subject to KYC and compliance documentation.
- Certified true copies of corporate documents by MI special agents (i.e. CD law firm) accepted.
- Special arrangements even for bearer shares still acceptable in Cyprus.



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8. Corporate names
9. Purpose and powers
10. Seal
11. Directors and Officers
12. Registered address/registered agent
13. Cap tax
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16. Registered shares held in trust
17. Bank accounts
- 18. Nominal value and currency of shares**
19. Shelf companies

# General Information

## Nominal value and currency of shares

- Shares can be in any currency
- In case of shares with par value, the consideration has to be at least equal to the par value.
- In case of shares of no par value the consideration has to be fixed from time to time by the board or the shareholders
- Shares cannot be issued without any consideration.

# General Information

## Shelf companies

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10. Seal
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18. Nominal value and currency

## **19. Shelf companies**

- Our firm has ready MI companies in stock for immediate use.

# Stages of the existence of a MI company

## 1. Incorporation

2. Possible changes while the company is in existence

3. Dissolution

4. Reinstatement

## Incorporation

- Same day formation
- Quick processing of registered documents
- All remaining documents prepared by our firm and included in the company kit to be delivered to clients.

# Stages of the existence of a MI company

1. Incorporation

**2. Possible changes while the company is in existence**

3. Dissolution

4. Reinstatement

## Possible changes while the company is in existence

- Articles of Amendment
  - Change of name
  - Change of authorised capital
  - Change of nominal value and/or currency of the shares
- Transfer of shares
- Redomiciliation
- Increase/reduction of issued share capital
- Increase/reduction of stated capital

# Stages of the existence of a MI company

1. Incorporation

2. Possible changes while the company is in existence

**3. Dissolution**

4. Reinstatement

## Dissolution

- Annulment due to failure to pay annual registration fee or appointment or maintenance of registered agent for two years
- Voluntary dissolution
- Judicial dissolution
- Note: A dissolved company remains in existence for a period of 3 years as body corporate



# Stages of the existence of a MI company

1. Incorporation

2. Possible changes while the company is in existence

3. Dissolution

**4. Reinstatement**

## Reinstatement

- Of an annulled co.
- Voluntary revocation of dissolution

# Conclusion

MI is the jurisdiction of choice because of:

- Flexibility
- Confidentiality
- Competitive pricing
- Political and legal stability
- Quick responsiveness and excellent service
- Permits Corporate Officers
- No tax
- No mandatory annual filings.
- Excellent reputation

## Partner

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Advocate, Cyprus Bar, admitted 1996

## Contact

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## Practice Areas

Capital Markets  
Corporate and M&A  
Corporate Restructuring and Insolvency  
Regulatory & Compliance

Thank you

## Qualifications

### Experience

Partner, Chrysses Demetriades & Co. LLC (since 2000)  
Associate, Chrysses Demetriades & Co. LLC (1996-2000)

### Education

LLM (International Business Legal Studies), Exeter University (1994)  
LLB, Exeter University (1993)

Languages Greek, English