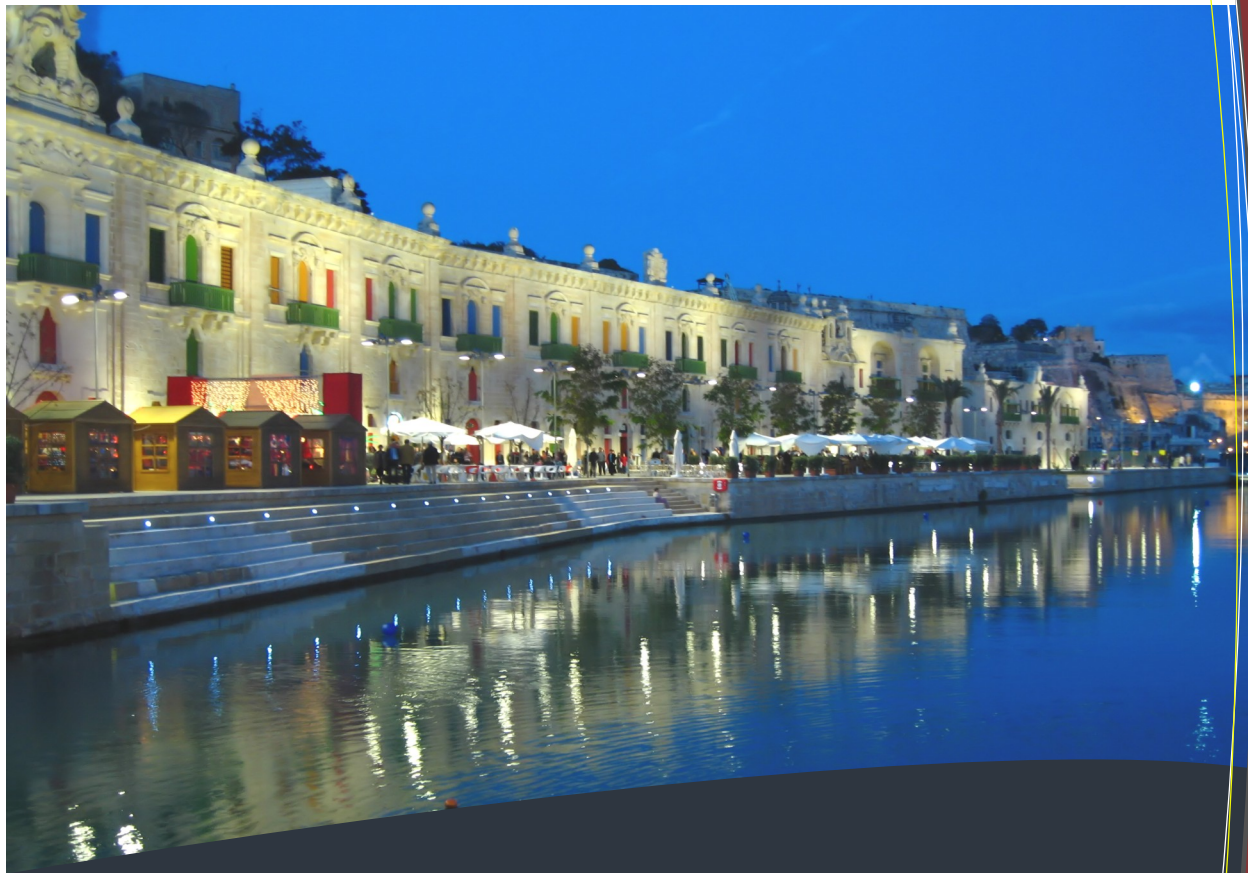


Professional Services



Malta the place to be

BACK OFFICE SERVICES

What are 'back office' services?

Back office services are those activities and services of an administrative and continuous nature such as:

- routine administration services;
- General Business consultancy such as book-keeping, accountancy services, credit control business administration and business correspondence (It is important to note that such duties would specifically exclude assignments which may only be carried out by a person or firm holding a warrant under the Accountancy Profession Act);
- information and data processing; and
- computer bureau, database, networking and computer outsourcing.

Back office services specifically exclude services and or activities which are professional in nature and which require a warrant, or a licensed control or authorisation under the various financial services legislation. Such legislation would typically be under the auspices of the Malta Financial Services Authority which is the Malta Government financial regulatory body.

A back office management company established in Malta may provide such services to both financial and/or non-financial services related companies provided they are not resident in Malta and not otherwise established in Malta.

Such service providers are required to have a physical presence on the Island entailing a fixed place of business in Malta employing a number of Maltese staff in the process.

The back office management company may either be a local company registered under the Companies Act, 1995, or, alternatively, a foreign company registered as an 'overseas company' The company's objects, however, would have to specify the activity, and in the case of the latter, be restricted to the rendering of [qualifying] back office services.

Tax incentives in the Income Tax Act make back office operations in Malta more attractive.

BANKING

Personal & Company Bank Accounts

We offer assistance in setting up Bank Accounts in Malta non-resident individuals or corporate entities with Malta's leading banks. Typical facilities include the following

- Current Accounts
- Call Deposit and Fixed Term Deposit
- Savings Accounts
- Credit Card
- Cheque Book
- Any Foreign Currency

Mail and correspondence Forwarding and Administration in relation to bank accounts

We may also offer you the service to administer the bank accounts. This includes communicating with the bank, receiving bank correspondence at a predetermined address in Malta, processing and recording of mail.

Documents Required

In order to open a bank account in Malta the following documents are required

1. Personal Bank Accounts

1. Certified Copy of passport
2. Positive Identification Statement (Document B)
3. Banker's reference (original)

2. Bank Accounts for Foreign Companies

1. Certified Copy of passport of each beneficial owner and each director of company
2. Positive Identification Statement for each beneficial owner and each director of company
3. In the case of Non-EU nationals, an original Banker's reference for each account holder, director and signatory of the account
4. Memorandum & Articles of Association of company
5. Certified copy of company's certificate of registration together with a Good Standing Certificate
6. A Board resolution showing appointment of directors

All documents are required to be original. Bankers' references on the company are requested as part of the due diligence process.

REDOMICILIATION OF FOREIGN COMPANIES TO MALTA

Foreign companies incorporated outside Malta may transfer their domicile to Malta without winding up their foreign business. Redomiciliation of foreign companies to Malta may be carried out under certain terms and conditions which allow the foreign company set-up to remain in existence.

Foreign companies which choose to transfer their domicile to Malta may benefit from the tax advantages available under the International Trading Companies legislation.

The conditions under which a foreign company may transfer its domicile to Malta are the following:

- The law of the foreign jurisdiction where the foreign company is established, must allow the company to migrate. Proper evidence must be provided to the Maltese authorities, usually in the form of a written declaration by the foreign authority.
- The company's own regulations (memorandum & articles or charter) must allow it to migrate.
- Evidence must be provided that the competent authority of the foreign jurisdiction has been informed that the company wants to migrate.
- Evidence must be provided that the laws of the foreign jurisdiction, in relation to migration of companies, have been followed; in particular that shareholders, creditors and debenture holders have consented to the migration in accordance with the rules of the foreign jurisdiction.

The following documents are required for re-domiciling a foreign company to Malta:

- A shareholder's resolution authorising the foreign company to migrate to Malta.
- A copy of the foreign company's charter or memorandum & articles of association, which must include all the information necessary to register the company in Malta.
- A good standing certificate or equivalent document issued by the competent authority of the jurisdiction where the foreign company is registered.

A declaration signed by the directors of the company stating:

- the name of the company and the name under which it wants to register in Malta.
- the name of the jurisdiction where it is currently registered and date of incorporation
- that the company has decided to re-domicile to Malta.
- that the company has informed the competent authority of the foreign jurisdiction of its decision to migrate to Malta.
- that no proceedings are pending against the company for breach of laws of the foreign jurisdiction.
- A declaration signed by the directors of the company confirming that the company is solvent.
- A list of directors, officers and company secretary of the company and of any persons vested with the administration or legal representation of the company.

A FEW GOOD REASONS TO DO BUSINESS IN MALTA

- *Relative ease of incorporation for non-regulated entities*
- *Audited accounts must be prepared in accordance with IFRS's and filed for public inspection*
- *Low minimum capital requirements - US\$1,500*
- *No local shareholders or directors required*
- *Low registration and maintenance costs*
- *No "thin-capitalisation" rules*
- *Share capital, accounting, and tax in a foreign currency*
- *No withholding taxes on remittances of dividends, interest, and royalties to non-residents*
- *Possibility of "flighting" companies to and from Malta*
- *Extensive DTT network - aggressive policy of expansion*
- *Lower costs*
- *Quality of life - convenient European time zone*
- *Accessible and solution oriented regulator*
- *High quality workforce - fluent in English. Other mainland languages not uncommon*
- *Tax efficiency - but all companies taxed at 35%*
- *Quality Professional services*
- *"Can do" attitude*
- *Political Stability and a safe country*
- *Variable share capital companies - SICAVS*
- *Licensed trustees as registered shareholders*
- *No exchange controls*
- *Advance revenue rulings on international tax issues - valid for 5 years*
- *Choice of accounting year-end*
- *Tax only payable at the earlier of 18 months after year-end, or when a dividend is paid*
- *Low capital duties - max US\$1,600*
- *Stamp duty exemptions*
- *Capital gains normally exempt (or treated in same way as foreign income)*
- *Defined capital reduction rules*



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