



# SEYCHELLES INVESTMENT ADVISOR LICENCE

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# Understanding Investment Advisor Licence

The Securities Act 2007 breaks new grounds for Seychelles.....

- The Securities Act, 2007 and Rules & Regulations made under it allow Investment Advisors to be set up and be licensed in Seychelles.
- These are particularly beneficial to investment groups either individuals or companies worldwide, who manage & advise investment funds, family offices, and high net worth individuals and also provide wealth management, wealth preservation & structuring advice. This licence is priceless if your clients have given you a power of attorney to manage and organize their portfolio.
- The licence will give your firm more credibility in the eyes of your clients who may need to deal with a regulated company or professional to manage and organise their wealth and portfolio.

# Understanding Investment Advisor Licence

**A** Investment Advisor is a person:

1. who carries on business giving advice on securities, or
2. who holds himself out as conducting such business described below:
  - a) Advises other persons concerning investment in securities
  - b) Issues, analyses or reports concerning specific securities; or
  - c) Manages a portfolio of securities for another person –
    - i) without holding property of the other person; and
    - ii) on terms that preclude him from doing so.

An Investment Advisor may give business advice on securities such as shares, warrants, debentures, loan stock, bonds, certificate of deposits, futures, contract for difference and options.



# Why Seychelles for Investment Advisor Licence?

The growing popularity of Seychelles as a preferred jurisdiction for setting up a Investment Advisor Licence is due to the two elements below.

| Seychelles as a country and popular jurisdiction   | Modern, expedient and flexible Seychelles Securities law |
|--|--|
| Proven track record with a steady growth (10%+)  | Is an extensively researched law                         |
| Outstanding political and social stability   | Is an enabling law                                       |
| On the white list of OECD and IMF compliant  | Regulator flexibility                                    |
| Convenient time zone at GMT+4  | Enhanced privacy   |
| Excellent facilities in terms of service providers, communications, service businesses etc | Favorable corporate tax rate (1.5% p.a. on income )      |
| Attractive corporate and personal tax environment and access to tax treaties               | Allows individuals to be licensed as Investment Advisors |
| Free remittance of profits and capital   | Low minimum capital requirements (USD 25,000)            |

# Statute Law & Licensing Authority

Seychelles' statute law on Investment Advisors is contained in the,

## **Securities Act, 2007 and Regulations**

The Securities Act, 2007 and the Regulations made under the Act govern the licensing and approval of Investment Advisors and Investment Advisor Representatives. It also contains compliance requirements for Investment Advisors and their Representative(s). The Act and the Regulations are administered by FSA.

The governing body for Investment Advisors in Seychelles is the,

## **Seychelles Financial Services Authority (FSA)**

FSA is conferred powers of licensing and regulation of the Investment Advisors and their Representatives in Seychelles.

# Organisation of Investment Advisors

- Investment Advisors may be structured as:
  - a company incorporated under the Companies Act, 1972; or similar company incorporated under the laws of a recognised jurisdiction
  - Individuals who satisfy the requirements of the Securities Act
- The applicant company must also apply for a **Investment Advisor Representative Licence** for at least one of its employees or directors.
- A Investment Advisor Representative means an individual in the employment of (including a Director of), or acting on behalf of or by arrangement with a Investment Advisor, who advises on securities on behalf of that investment advisor, whether he is paid salary, wages, commission or otherwise.
- A Investment Advisor Representative is simply an employee or a director of the company who has been granted an advisor licence.
- The applicant company must have at least two directors and two shareholders.
- The directors ought to be fit and proper to discharge the functions of a Investment Advisor.

# Structure of a Seychelles Investment Advisor





# Licensing conditions for Investment Advisors

In the case the applicant is a company, the company must:

1. Be a company incorporated under the Companies Act, 1972 or under the laws of a recognized jurisdiction (Please refer to Appendix for list of recognized jurisdictions)
2. Employ at least 2 (two) natural person directors
3. Employ at least one individual who is licensed as a Investment Advisor Representative
4. Comply with the prescribed minimum issued and paid up capital requirement of US\$ 25,000
5. Comply with the insurance requirement – the licensee ought to have a professional indemnity cover appropriate for the nature and size of the business
6. Satisfy the Authority that a fit and proper person will be licensed as a Investment Advisor Representative
7. Have specified premises that are suitable for keeping registers, records and other documents of the company

# Application for license: the Application Pack

- ✓ The Investment Advisor Licence Application Form
- ✓ The Investment Advisor Representative Licence Application Form
- ✓ Certified true copies of the constitutional documents of the applicant company; these include Memorandum and Articles of Association, Certificate of Incorporation, Certificate of Good Standing, Register of Members and Register of Directors.
- ✓ Audited financial statements of the applicant company for the last two years, if applicable
- ✓ Business Plan of the applicant company
- ✓ Personal questionnaire (PQ) for each director, senior officer, individual shareholder or beneficial owner of the applicant company
- ✓ The PQ form should be supported by Due Diligence documents which include: passport, proof of address, bank reference, 2 passport sized photos, certificates of academic and professional qualifications, updated CV, employee reference and evidence of membership to any professional bodies
- ✓ Compliance Manual, Procedures Manual and the AML Manual
- ✓ A written Notification from the Representative
- ✓ Accreditation of the Representative
- ✓ A copy of the policy of insurance
- ✓ Any other supporting information or documents as the Authority may require
- ✓ Application fee.

# What can we offer a (Prospective) Investment Advisor?

|    | Solution offering             | Detail  |
|----|-------------------------------|---|
| 1. | <b>Set-up</b>                 | <ol style="list-style-type: none"> <li>1. Structuring of the licensee;</li> <li>2. Assistance with the preparation and review review of application pack;</li> <li>3. Liaison with service providers and regulatory authorities regarding licensing;</li> <li>4. Filing the application pack at FSA; liaison and follow ups.</li> </ol>   |
| 2. | <b>Administration</b>         | <ol style="list-style-type: none"> <li>1. Middle and back office operations;</li> <li>2. Advice on corporate governance;</li> <li>3. Coordination of KYC and AML processes</li> <li>4. Maintenance of registers and other statutory records of the company;</li> <li>5. Coordination of response to client requests;</li> <li>6. Corporate secretarial work;</li> <li>7. Assistance with opening a bank account.</li> </ol> |
| 3. | <b>Accounts and Reporting</b> | <ol style="list-style-type: none"> <li>1. Preparation and maintenance of financial statements</li> <li>2. Liaising with the company's auditors during audits of the company's financial records</li> <li>3. Preparing periodic management accounts and budgets for management purposes</li> </ol>   |
| 4. | <b>Virtual office</b>         | <ol style="list-style-type: none"> <li>1. Business address including correspondence mailing address, mail handling and forwarding;</li> <li>2. Registered office service including provision and maintenance of company name plate;</li> <li>3. Telephone Services including telephone answering services and call forwarding services.</li> </ol>  |

# Abacus (Seychelles) – Excellence in offshore services

- A leading provider of specialised offshore services in Seychelles.
- Offers a wide range of Corporate, Trust and Investment Fund services including the incorporation, maintenance and administration.
- Serves onshore and offshore clients worldwide
- Professional working relationships with number of bankers, auditors, legal and taxation & industry specialists in Seychelles as well as in other jurisdiction like Mauritius, BVI, panama, Cyprus, Belize etc.
- Is a member of several industry bodies including the ITPA, IFA, AOA, and CWM.
- Is spearheaded by a team of dedicated professionals that is highly motivated, customer-focused and multilingual.
- Aims at high customer satisfaction by providing tailor-made services to an ever growing client-base, all in compliance with international best practices.



# Our Core Services

- Offshore and onshore company formation and administration.
- Wealth planning and asset protection solutions - Trusts and Foundations.
- Hedge Fund & Mutual Fund formation and administration.
- Set up and administration of financial and securities licenses – Investment Advisor, Fund Administrator and Investment Advisor/Broker.
- Additional Corporate Services – assistance with opening a bank account, international tax planning, virtual office and accounting services.



# Appendix

## THE SECURITIES ACT, 2007 RECOGNISED JURISDICTIONS

|                        |             |                      |
|------------------------|-------------|----------------------|
| Austria                | France      | Malaysia             |
| Australia              | Germany     | Mauritius            |
| Belgium                | Gibraltar   | New Zealand          |
| Bahamas                | Guernsey    | Singapore            |
| Bahrain                | Holland     | South Africa         |
| Bermuda                | Hong Kong   | Switzerland          |
| British Virgin Islands | Isle of Man | United Arab Emirates |
| Canada                 | Ireland     | United Kingdom       |
| Cayman Islands         | Japan       | USA                  |
| Cyprus                 | Jersey      |                      |
| Denmark                |             |                      |

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