

RE-DOMICILIATION OF COMPANIES

Introduction

According to the Companies Law, CAP 113, Cyprus allows:

- Re-domiciliation of foreign companies in Cyprus; and
- Migration of Cyprus registered companies abroad.

Inward re-domiciliation of private companies

Conditions

1. The legislation of the country of incorporation of the Company must allow such re-domiciliation.
2. The company's Memorandum and Articles of Association must provide for the possibility of re-domiciliation.

Necessary documents

1. Resolution by the Shareholders of the Company or the equivalent according to the incorporation country authorising the re-domiciliation and the continuance of the company under a new jurisdiction;
2. Official notice by the relevant authorities by the incorporation country verifying the intention of the Company to re-domicile
3. Revised Memorandum and Articles (M&A) of the company
4. Good Standing Certificate of the Company
5. The Board of Directors must approve and instruct one of the Directors to issue an affidavit confirming :
 - The name of the Company and the name under which it will continue its existence in Cyprus;
 - The date of Incorporation and jurisdiction of incorporation of the company
 - The resolution approving the re-domiciliation
 - That the official notice has been filed with the appropriate authorities

- That no criminal or administrative procedures have been commenced against the company
6. Affidavit by a duly authorised director confirming that the company is solvent
 7. List of the directors, secretary and of any managers
 8. List of the shareholders of the company
 9. A legal opinion to be issued by a qualified lawyer in the country of incorporation confirming that:
 - Outward re-domiciliation is permitted under the provisions of their legislation
 - The resolution approving the re-domiciliation followed the procedures described in the M&A of the company and the provisions of the relevant legislation.

Legal effect of temporary registration

Once the migrating Company receives the certificate of temporary registration is:

- Regarded as a legal person duly incorporated under the Laws of Cyprus;
- Eligible to exercise all powers that registered companies have according to the Laws of Cyprus;
- Obligated to comply with all requirements set by the Laws of Cyprus;

The Final Certificate will be obtained once all the documents filed with the Companies Registrar in Cyprus are approved and the foreign authorities confirm that the company is no longer active in their jurisdiction.

Director's Liability

Under CAP 113, any of the Directors who through his affidavit or otherwise gives false information he may be liable and subject to a fine, up to €34.172 and/or imprisonment of up to a year.

Licensed activities

If the Company's activities, as performed in the country of incorporation, require a license, then it should be examined if such activity requires license in Cyprus as well.

If it is required, under Cyprus Law, to obtain such license by any Cyprus Authority, it should be done before completing the re-domiciliation. Such activities are the financial services, insurance, banking etc.

Inward re-domiciliation of Public Companies

If the Company which is to re-domiciled is a Public Company, it has additional requirement over and above those described for the private limited liability companies.

Namely, the following must be produced and filed with the Companies Registrar:

- The prospectus of the company, as issued on the day of the public offer;
- If the company is listed, then a consent letter is required by the Foreign Stock Exchange, as to the re-domiciliation;
- A duly certified list of the shareholders on the day of the re-domiciliation application.

Disclaimer

This leaflet has been prepared and issued as general guide and for information purposes only. Under no circumstances, it shall be considered as an advice nor shall anyone rely exclusively on this document without receiving independent advice based on his specific circumstances.