



TAX INFORMATION EXCHANGE AGREEMENT

As of 28 October 2008, the British Virgin Islands ("BVI") announced the signing of the Tax Information Exchange Agreement ("TIEA") between Australia, the United Kingdom and the BVI.

This new agreement allows for full exchange of information on request in both criminal and civil tax matters. In addition, Australia and the United Kingdom will remove the BVI as a 'tax haven', and will re- categorise the BVI as an 'information exchange country'. The BVI have also signed an agreement for the allocation of taxing rights with respect to certain income of individuals.

In view of the above circumstance, clients who wish to reconsider their position, can have the following options:-

Option 1: Redomiciliation out of BVI

Redomiciliation is a process where a Company is migrating to another jurisdiction without the need of liquidating the existing Company or incorporating a new one. Companies incorporated in the BVI are allowed to change their domicile under certain terms and conditions.

Migrating into Seychelles or Marshall Islands could be an option. Statutory requirements of Seychelles and Marshall Islands are similar to that of a BVI as illustrated below:-

	FEATURES		
	BVI	Seychelles	Marshall Islands
Shareholders	Individual / Corporate	Individual / Corporate	Individual / Corporate
Directors	Individual / Corporate	Individual / Corporate	Individual / Corporate
Secretary	Optional. May be Individual or Corporate	Optional. May be Individual or Corporate	Mandatory. May be Individual or Corporate
Auditors	Not required	Not required	Not required
Share Capital	No minimum amount. Can be denominated in any currency	No minimum amount. Can be denominated in any currency	No minimum amount. Can be denominated in any currency

To migrate to another jurisdiction, the BVI Company must be in Good Standing prior to the commencement of such process.

The entire process will take approximately one (1) month.

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Option 2: Liquidate Existing BVI Company

The alternative to redomiciliation is to liquidate the existing BVI Company and incorporate a new entity in a new jurisdiction, i.e. Brunei.

For voluntary liquidation of the BVI Company, the Company must:-

1. be solvent
2. have no assets and liabilities
3. be able to pay all debts
4. be in good standing prior to the commencement of liquidation
5. close all bank accounts
6. appoint a liquidator

Please note that the liquidation process of a BVI Company takes about 1½ to 2 months.

Incorporation of new Company – Brunei

To initial the incorporation process, please complete and return to Heritage our standard Activation and Due Diligence form and Services Agreement with Due Diligence information (i.e. Notarised / certified true copy of clear passport copy, original evidence proof of residential address and reference letter).

For easy reference, the table below illustrates the statutory requirements of a Brunei Company:-

	FEATURES
Shareholders	Minimum one Individual / Corporation No residency requirement
Directors	Minimum one Individual / Corporation. No residency requirement
Registered Office	Must be maintained in Brunei. Statutory books of the company must be kept
Resident Secretary	Minimum one. Individual / Corporation
Auditors	Optional
Share Capital	No minimum amount Can be denominated in any currency

There are no shelf companies available.

Upon the company name being available, a Brunei Company can be incorporated in one (1) week.

For further details of the aforesaid options available to you, please contact the respective person-in-charge that you have been dealing with, or call (65) 6533 0774 to speak to any one of the staff in Heritage. Alternatively, you may wish to e-mail info@heritagetg.com for further assistance.