



# Healy Consultants



## Egypt Branch Office Invoice

Client to provide

Company Reg. No.: 921530

Address to be provided

Date: Thursday, February 18, 2016

Invoice No: 2016 – 10 – 003p

Professional services for <u>Egypt</u> branch (without travel)	Notes	Year 1 US\$	Year 2 US\$
Egypt <u>branch registration</u> fees (without travel)	1	10,750	2,450
Branch <u>secretary and legal registered</u> office fees	2	2,400	2,400
Estimate of <u>Government License registration</u> fees	3	900	400
Branch <u>bank account opening</u> fees (without travel)	4	2,950	0
Branch office <u>tax ID application</u> fees	5	950	0
Healy Consultants <u>project management</u> fees	6	3,950	0
Annual <u>accounting and tax</u> fees	7	0	3,950
<b>Total</b> Healy Consultants fees payable this month	8	<b>21,900</b>	<b>0</b>
Estimate of total Healy Consultants fees payable after 12 months	9	0	<b>9,200</b>

**Note:** this invoice needs to be tailored for each Client. The above services and fees represent the average requirements of our Clients. I recommend you carefully read the notes within the attached draft invoices to confirm and understand all services required by your Firm, eliminating the risk of unwanted fee surprises during the engagement;

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### Notes to invoice above

1. Healy Consultants fees to efficiently and effectively complete Egypt branch registration within [six weeks](#) by **i)** choosing the optimum regulatory license for our Client's business activities; **ii)** reserving a branch name with [General Authority for Free Zones and Investment](#) (GAFI); **iii)** settling our accountant and lawyer fees and **iv)** preparing a high quality branch incorporation application for General Authority for Free Zones and Investment;

All [engagement fees](#) (click link) are agreed and paid up front and agree to the fees published on our country web pages. Consequently, there are no hidden fees, surprises or ambushes throughout the engagement. All engagement deadlines are agreed up front in the form of a [detailed project plan](#), mapping out [deliverables](#) by week throughout the engagement term;



Every week during the engagement, Healy Consultants will email our Client a [detailed status update](#). Our Client is immediately informed of engagement problems together with solutions. Your dedicated engagement manager is reachable by phone, Skype, live chat and email and will communicate in your preferred language;

2. In accordance with the [Egypt Companies Law 159/198](#), each Egypt branch must appoint a branch secretary, who may be a natural person or a body corporate, but the branch secretary must be resident in Egypt. Healy Consultants will act as your Egypt branch secretary, for which our annual responsibilities include **i)** preparing and filing the legal annual return; **ii)** securely maintaining branch records; **iii)** liaising with the Egypt government on our Client's behalf; **iv)** legal filing of changes of branch structure; and **v)** reminding our Client of statutory deadlines;

In accordance with the [Egypt Companies Law 159/198](#), a branch shall as from the date of its incorporation have a legal registered office in Egypt, to which all official Government communications and notices may be addressed. To comply with this statutory requirement, Healy Consultants' Egypt office will be the registered office address for your branch. Thereafter, this address will be used to receive government correspondence including **i)** tax letters **ii)** notice of the legal annual return; and **iii)** all government communications. Most of our Clients wish to place [Healy Consultants' office address](#) on invoices, contracts, websites and business cards;

3. This fee is an estimate of Government costs to complete your Firm's engagement. For transparency purposes, all government fee payments will be supported by original receipts and invoices;

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Examples of government costs include **i)** reserving the branch name with General Authority for Investment and Free Zones ([GAFI](#)); **ii)** paying the [Chamber of Commerce](#) fee; **iii)** registering our Client for social security insurance and **iv)** notarizing the original Egypt corporate documents. All third party and government fees associated with legalization of branch and/or individual documents will be borne by our Client. Following engagement completion, Healy Consultants will refund our Client any excess of funds received over actual Government costs paid;

4. Healy Consultants will be pleased to open an Egypt branch bank account without travel, most probably with Alex Bank. It is a time consuming task, Healy Consultants will shelter our Client from the administrative challenges. As you can appreciate, it is a difficult task to obtain bank account approval through a newly formed branch, when shareholders and directors and bank signatories reside overseas. Healy Consultants will prepare a business plan for the bank to optimize the probability of branch bank account approval. Depending on our Client business and nationality, there is a 20% probability the banks will request a bank signatory to travel for a one hour bank interview. Healy Consultants will try its best to negotiate with the bank for a travel exemption. If our Client must travel to Egypt for branch bank account opening, Healy Consultants will refund our Client US\$950;

If our Client is not comfortable with only an Egypt branch bank account, Healy Consultants will be pleased to open [an international branch bank account](#) (click link) outside of Egypt. Examples include New York, Germany, Liechtenstein, Austria, Bulgaria, South Africa, Australia, London, South America or Dubai. All banks will be top tier banks in these countries with excellent internet banking services. Example of our global banking partners include HSBC, Standard Chartered Bank, Citibank, Barclays, Emirates NBD, Bank of China, ANZ bank, Standard Bank, UBS, Credit Suisse;

The banks enjoy ultimate power of approval of branch bank account applications. Consequently, guaranteed success is outside of Healy Consultants' control. What is inside our control is the preparation and submission of a high quality bank application that maximizes the likelihood of approval. To date, we enjoy a 100% approval record because of [our global banking relationships](#) and determination;



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Global banks continue to tighten branch bank account opening procedures, their internal compliance departments completing more thorough due diligence of Clients. Consequently, our Clients should expect the bank account approval period to take up to 4 weeks. Furthermore, global banks now require evidence of proof of business in the country where the branch bank account will be, including sales contracts or lease agreement;

5. In accordance with [Egypt Companies Law](#), each entity must register for corporate tax and VAT at the Investment Tax Office at the General Authority for Free Zones and Investment (GAFI);
6. This cost includes Healy Consultants fees to thoroughly research and plan Egypt business set up for our Client including **i)** payment of retainer fees to multiple lawyers, accountants and other consulting firms **ii)** preparation of a detailed project plan with timelines **iii)** time taken to determine the optimum Egypt branch structure, including preparation of a detailed comparison table of entities **iv)** ascertain the specific accounting, tax, legal and compliance considerations **v)** finding solutions to [challenges that occur](#) throughout the engagement and **vi)** completing a detailed, 23-page engagement strategy document from all of the above;

This cost also includes Healy Consultants' fees to efficiently and effectively project manage and timely complete our Client's engagement including **i)** injecting the paid up share capital on our Client's behalf and **ii)** collating and supervising the legalisation and attestation of all documents **iii)** weekly detailed engagement status updates to our Client and **iv)** weekly Friday conference call and **v)** finding solutions to unexpected challenges throughout the engagement;

Healy Consultants' project management fees also include the time taken to devise the strategies as to how to **i)** minimise the engagement period **ii)** complete the engagement without our Client travelling **iii)** avoid the need for an Egyptian shareholder **iv)** minimise tax using a Egypt freezone (when applicable) and **v)** avoid the need for a specific regulatory license;

The Egypt branch registration is a long and complicated process for foreign investors. Healy Consultants will liaise with multiple independent lawyers and accounting firms to ensure that **i)** your Firm complies with Egypt commercial regulations **ii)** your Firm's interests are well protected and **iii)** your Firm enjoys all possible tax benefits;


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7. For an active trading branch, these [accounting and tax](#) fees are an estimate of Healy Consultants fees to efficiently and effectively discharge your annual branch accounting and tax obligations. Following receipt of a set of draft accounting numbers from your branch, Healy Consultants will more accurately advise accounting and tax fees. For a dormant branch, Healy Consultants fees are only US\$950; 
8. All fees quoted in this invoice correspond to fees quoted [on Healy Consultants' website](#). Please review this invoice carefully to identify errors. During the rush of the business day, it is possible that Healy Consultants inadvertently made fee calculation errors, typing errors or omitted services or omitted historic fee payments from Clients. In the unfortunate event you identify invoice errors, please revert to me directly re the same. I apologize in advance if I or my staff made invoice errors;
9. Assuming our Clients re-engage Healy Consultants in year 2, this fee is an estimate of the fees payable next year, 12 months after the date of branch registration;
10. The fees quoted in this invoice are a prediction of the fees required to efficiently and effectively complete this engagement in a timely manner. If during the engagement Healy Consultants realizes that the project is more complex than anticipated, requiring a large additional investment of time, my Firm will revert to request additional fees. If Healy Consultants completes the engagement faster and more easily than expected, Healy Consultants is happy to refund some fees to our Client;
11. Branch can undertake any form of legal activity in Egypt for which it is registered in the [Commercial Registry](#) provided that it has a signed contract with an Egyptian entity to provide the services encompassed by such activity. A branch can only employ up to 10% of its employees as foreigners. The branch suffers a corporation tax of 22.5%. A branch can **i)** lease office premises and **ii)** issue sales invoice to Clients' and **iii)** sign local legal contracts. A branch can import and export goods. The parent company is fully liable for the activities of their branches in Egypt;
12. Engage Healy Consultants to [project manage](#) business set up in every country on the planet. We are the best in the [world](#) at what we do, timely completing [the A to Z](#) of every country engagement;

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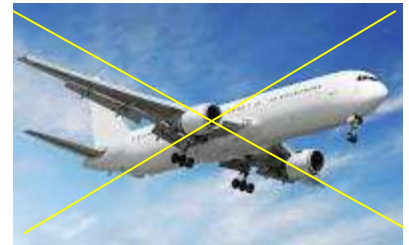


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13. If our Client and Healy Consultants properly plan this engagement, our Clients' will **not** have to travel during this engagement. Healy Consultants will efficiently complete branch registration and branch bank account opening in a timely manner without our Client presence. Instead, our Client will need to **i)** sign and get documents legalized in the embassy in their country of origin and **ii)** courier the originals to Healy Consultants office;



14. Depending on our Client business and nationality, the Egypt Government may require a special regulatory license to carry on your business in the country. Healy Consultants will assist our Client secure license approval. However, the Government enjoys ultimate power of approval of branch registrations and business licenses;

15. In accordance with the [Egypt Companies Law 159/198](#), every Egyptian branch requires at least one Egyptian national manager. If required, Healy Consultants will be happy to act as passive professional nominee manager for your Egypt branch. To ensure your assets are fully protected, the nominee will not be a bank signatory nor will have an active role in daily branch activities. Our annual nominee Egyptian manager fee is US\$7,550 as published on our [website](#);

16. If our Client requires nominee [services \(click link\)](#), Healy Consultants will be pleased to assist. Our fee for professional, passive nominee corporate shareholder amounts to US\$2,100 per annum. Our fee to be both nominee director and shareholder amounts to US\$6,600 per annum. Being the sole shareholders and sole director of a Client's company exposes Healy Consultants to reputation, litigation and financial risk;

17. It is mandatory for every Egyptian branch to appoint an independent branch auditor during branch registration to annually audit the entity's financial statements. Most of our Clients appoint Healy Consultants' preferred auditor for branch incorporation without an additional fee. The auditor's annual fees will be payable directly and independently to the auditor at the end of each year. The estimated of these fees are US\$4,500 per annum;

18. Some of our Clients request Healy Consultants to provide temporary shared [office space](#) for 6 months until their preferred business premises is found. If your Firm requires this service, our one-time fee is US\$950. Monthly rental thereafter, an estimate of US\$25 per sq. m., is paid directly to the landlord, independently of Healy Consultants;

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- 19.** Together with branch registration, it is necessary for the Egyptian government to conduct a security check on each individual director and shareholder. This process can take up to four months! However, after the Branch is fully registered, your Firm will start conducting business as usual. In the unfortunate event the government security check is not cleared, this person needs to be immediately removed and replaced in the branch. Should this be required, Healy Consultants will be pleased to assist your Firm to change the corporate of the Egyptian branch by appointing your preferred director or shareholder. Our fees for the same amounts to US\$2,950;
- 20.** If required, Healy Consultants will be pleased to assist your Firm to secure employee [visa](#) approvals. Our fee is US\$2,950 for the first employee, US\$1,950 for the second employee, US\$950 per employee thereafter. Our employee visa fees includes preparation of a quality visa application and submitting to the correct Government immigration officers. The Government enjoys ultimate power of approval of visa applications. Consequently, guaranteed success is outside of Healy Consultants' control. What is inside our control is the preparation and submission of a high quality visa application that maximizes the likelihood of visa approval;
- 21.** Monthly, quarterly and mid-year Government tax obligations include monthly and quarterly payroll reporting, VAT and corporate income tax return filing. If you need our help, Healy Consultants can complete monthly Government reporting for a monthly fee of US\$860. Healy Consultants monthly support will include **i)** receive in dropbox the monthly invoices from our client **ii)** label monthly bank statement transactions **iii)** preparation and submission of VAT returns and **iv)** submission of monthly employee payroll reporting;
- 22.** It is important our Clients are aware of their personal and corporate tax obligations in their country of residence and domicile. Let us know if you need Healy Consultants help to clarify your local and international annual tax reporting obligations;
- 23.** During the engagement, shareholders and directors' documents may need to be translated into the local language; before the Government and Bank approves branch registration and branch bank account opening respectively. Consequently, our Client should budget for possible additional translation and embassy attestation fees. Either our Client or Healy Consultants can complete this administrative task;

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As always, Healy Consultants will negotiate with all third parties to eliminate or reduce additional engagement costs. For transparency purposes, all third party fee payments will be supported by original receipts and invoices. Examples of possible third party payments include **i)** embassy fees **ii)** notary public costs **iii)** official translator fees;

24. Some of our Clients require an [immediate Egypt solution](#). With this strategy, within a day Healy Consultants can supply our Client **i)** an existing dormant Egypt company number and **ii)** an already approved Egypt corporate bank account number and **iii)** a business address. Turnkey solutions are attractive to those entrepreneurs who wish to immediately close a country deal, sign a contract or invoice a customer;
25. As stipulated on our [business website](#) and in section 3 of our engagement letter, Healy Consultants will only commence the engagement following **i)** settlement of our fees and **ii)** completion and signing of our legal engagement letter;
26. Healy Consultants will only incorporate your branch after 75% of [due diligence documentation](#) is received by email. Healy Consultants will only open a corporate bank account after 100% of the Client's original due diligence documentation is received by courier;
27. During the annual renewal engagement with our Client, our in-house [Legal and Compliance Department](#) reviews the quality and completeness of our Client file. Consequently, Healy Consultants may revert to our Client to ask for more up to date [due diligence documentation](#);
28. To assist our Clients to minimize foreign exchange costs, we offer the payment in SG\$, Euro, Pounds or US\$. Kindly let me know in which currency your Firm prefers to settle our fees and I will send an updated invoice, thank you;
29. Some of our Clients engage Healy Consultants to [recruit](#) local employees. We have a lot of experience in this area and we are quite skilled at securing quality candidates for our Clients;
30. To efficiently and effectively complete your engagement in a timely manner, we recommend your Firm transfers these funds to Healy Consultants corporate bank account. Thereafter, our Incorporation and Banking Team will aggressively advance your engagement, providing your Firm daily feedback as to engagement status. I would be grateful if you email us the bank transfer advice slip to enable my Accounting Department to accurately and timely identify bank receipts.



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Thank you for your business and we look forward to working closely with you over the coming weeks as we engineer your Egypt corporate structure.

Best regards,

*Aidan Healy*

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Aidan Healy

[Business owner](#)

Healy Consultants Group

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