

SOVEREIGN

COMPANY APPLICATION FORM

TERMS & CONDITIONS

IMPORTANT NOTES

1. The completed and signed application form should be posted to Sovereign Trust (Hong Kong) Limited, Suites 1601-1603, Kinwick Centre, 32 Hollywood Road, Central, Hong Kong. Tel: +852 2542 1177. Fax: +852 2545 0550. Email: hk@SovereignGroup.com. Work can start on the basis of a faxed application form but the original must be posted at the same time.
2. Please enclose a copy of the passports – certified as a true copy by a lawyer, accountant or bank – of all those individuals who will be shareholders/beneficial owners or directors of the company.
3. Two forms of proof of address, dated within the last three months, for all persons listed within the application form are required. Typically this would be a credit card or bank statement or utility bill and these documents should be included with the application.
4. Anti-money laundering legislation, the local regulatory authorities and our own internal due diligence procedures may require you to supply references and other documentation on each person who has an interest in the company. Requirements vary considerably according to structure and jurisdiction so our due diligence department will be in contact to obtain anything needed which has not already been supplied.
5. For security reasons we now insist upon despatching corporate documents by international courier. A charge of £50/US\$80 will be added to your invoice and the total fees should be calculated for the purposes of section 12 accordingly.
6. Work cannot commence until payment has been received. Payments can be made by cheque drawn on a Hong Kong account, by international money order, bankers' draft or by direct transfer to our bank account held with the Hong Kong and Shanghai Banking Corporation, 1 Queen's Road, Central, Hong Kong. Account number: 502-203995-001 for payment of invoices denominated in Hong Kong Dollars (HK\$); 502-203995-274 for invoices denominated in United States Dollars (US\$) or 502-203995-276 for invoices denominated in Pounds Sterling (£). Alternatively payment can be made by most major credit cards by filling in the appropriate part of section 12. If payment is being made direct to our bank account then it is important that a clear reference is made to the proposed company name so that payments can be correctly identified and please enclose a copy of the bank transfer instructions clearly showing the remitting bank, the date of transfer and the amount and currency transferred.

COMPANY APPLICATION FORM

1. TYPES OF BUSINESS TO BE PURSUED BY COMPANY *(please give as full a description as possible)*

LOCATION OF BUSINESS _____ ESTIMATED ANNUAL TURNOVER _____

SOURCE OF INITIAL FUNDS AND/OR ONGOING INCOME _____

2. PLEASE STATE PREFERRED COUNTRY OF INCORPORATION _____

3. STATE DESIRED COMPANY NAME *(please state at least three alternative names in order of preference)*

(1) _____ (2) _____
(3) _____ (4) _____

4. PARTICULARS OF DIRECTORS *(please tick the appropriate box and complete details ONLY where appropriate)*

- Sovereign to provide third party directors.
 The following are to be recorded as directors.

(a) Full forenames and surname (1) _____ (2) _____
(please underline surname)

(b) Usual residential address _____

(c) Telephone & fax numbers _____ / _____ / _____

(d) E-mail address _____

(e) Occupation _____

(f) Passport no. & place of issue _____

(g) Nationality _____

(h) Date of birth (DD/MM/YYYY) _____

(i) Country of tax residence _____

5. PARTICULARS OF BENEFICIAL OWNERS *(please tick the appropriate box and complete details ONLY where appropriate)*

- Sovereign to provide nominee shareholders for the following parties.
 The following parties are to be recorded as shareholders of the company.
 We should like to establish a trust to hold the shares of the company. Please contact us to discuss.

(a) Full forenames and surname (1) _____ (2) _____
(please underline surname)

(b) Usual residential address _____

(c) Telephone & fax numbers _____ / _____ / _____

(d) E-mail address _____

(e) Occupation _____

(f) Passport no. & place of issue _____

(g) Nationality _____

(h) Date of birth (DD/MM/YYYY) _____

(i) Number/percentage of shares _____

(j) Country of tax residence _____

If there are more than two directors/shareholders/beneficial owners, please continue on a separate sheet giving similar details on the additional directors/shareholders/beneficial owners. In the absence of contrary instructions only the legal minimum number of shares will be issued or transferred.

6. SOURCE: HOW DID YOU FIND OUT ABOUT OUR SERVICE?

- From one of our advertisements. If so, which publication? _____
- By recommendation or referral. Please provide details. _____
- From our internet site. If so, how did you hear about the site? _____

7A. REMAILING, FAX AND TELEPHONE FACILITIES

Please tick here for mail forwarding, telephone and fax facilities. This service **MUST** be provided if Sovereign is providing directors.

7B. DEDICATED TELEPHONE LINE

Please tick here if you require a dedicated telephone line answered in the name of your company.

8. FISCAL AGENT

Please tick here if you wish Sovereign to act as fiscal agent and to attend to all necessary correspondence in relation to the preparation of accounts and with the local taxation authorities – including VAT authorities – as may be appropriate.

9. CORPORATE OFFSHORE CREDIT CARD

If you would like to obtain one or more Sovereign MasterCards, please tick here and indicate to whom the cards should be issued.
(1) _____ (2) _____

10. WEBSITE, E-MAIL & DOMAIN NAME

Please tick here if you wish Sovereign to supply company domain name, 4-page website and e-mail addresses.

11. COMPANY BANK ACCOUNT

Please tick here if you would like Sovereign to contact you to help with opening suitable bank accounts for the company.

12. PAYMENT DETAILS

Please tick box to indicate method of payment. Amount _____
The payment amount should be the total of the incorporation costs, first year's annual fees and all disbursements.

Funds have been telex transferred direct to your account in accordance with the instructions contained within note 6 on the front page. *Please attach copy of receipted bank instructions.*

I would like to pay by credit card and the relevant details appear below:

VISA MASTERCARD AMEX

Card number _____ Expiry date _____

Name embossed on card _____

Address to which credit card statements are sent _____

I enclose a bankers draft/international money order/cheque drawn in accordance with instructions contained within note 6 on the front page. *Please attach copy with faxed form and send original with hard copy in post.*

13. DECLARATION

I/We (name) _____

of (residential address) _____

telephone (home) _____ fax _____

telephone (office) _____ email _____

hereby declare that:-

- a) All details given above are true and accurate;
- b) I/We accept and agree to abide by the Terms and Conditions appearing on this form and as amended from time to time and accept responsibility for the payment of your fees (both initial and recurring).
- c) I/We understand that I/we may have an obligation to report our interest in the company in personal tax returns and that income of the company may be imputed to me/us; I/we will take advice on and comply with my/our own legal obligations in this respect; and the company will not be used for any criminal activity or other illegal purposes, whether fiscal or otherwise, in any jurisdiction and I/we understand that you may have an obligation to report details of any arrangement involving the proceeds of criminal conduct.
- d) and the company will not be used for any criminal activity or other illegal purposes, whether fiscal or otherwise, in any jurisdiction and I/we understand that you may have an obligation to report details of any arrangement involving the proceeds of criminal conduct.
- e) I/We have never been convicted of any criminal offence (other than a minor motoring offence) nor have I/we ever been declared bankrupt or the subject of an investigation by a governmental, professional or other regulatory or statutory body.

SIGNED _____ DATED _____

Please note that unless otherwise instructed all company papers and subsequent communications will be sent to the address and person given above.

DEFINITIONS AND INTERPRETATION

In these Terms and Conditions:

"**Agreement**" means the contract between Sovereign and the Client of which these Terms and Conditions shall form an integral part.

"**Client**" means the applicant whose description and address are set out in this form.

"**Company**" means any one or more companies in respect of which Sovereign provides Services at the Client's request.

"**Services**" means any company formation, management or administration services whatsoever provided in respect of a Company.

"**Sovereign**" means Sovereign Trust (Hong Kong) Limited and any member of, or any associated company within, The Sovereign Group whether as a subsidiary, holding company, joint venture company or franchisee of The Sovereign Group or any of its subsidiaries or in any other capacity whatsoever and shall where the context admits include any employee servant agent director or representative of same which provides Services pursuant to this Agreement.

Words importing one gender include all other genders and words importing the singular include the plural and vice versa.

FEES AND SERVICES

1. **The Client agrees to pay the fees charged by Sovereign for the provision of Services. These fees include fees for annually recurring Services billed at the rates applied by Sovereign from time to time. Although effort is made to maintain the same fee level for as long as possible, Sovereign reserves the right to increase the level of fees payable but shall give the Client not less than 30 days notice of any increase prior to commencing provision of relevant Services.**
2. Fees shall be payable immediately upon issue of invoices to the Client. If invoices are not settled within 30 days of the invoice date Sovereign shall be entitled to charge additional fees for annual Services of up to 25% of the fees invoiced and/or to charge interest on all outstanding fees at the rate of 4% over the best lending rate offered from time to time by HSBC for the currency in which the invoice is denominated.
3. In the event of the Client failing to settle any invoice by the due date the Client and/or the Company authorises Sovereign to deduct fees from any account, monies or property under the control of Sovereign in which the Client or the Company has a legal or beneficial interest and whilst any such fees remain outstanding Sovereign shall have a lien on any papers books or records and/or all assets of the Company or the Client which are in the possession or under the control of Sovereign.
4. If the Client no longer requires Sovereign to provide Services to a Company, no later than 30 days after the date of an invoice for annual Services the Client shall give written notice to Sovereign accordingly failing which the Client shall be deemed to have accepted liability to pay for such Services and shall be liable for the payment of the said invoice in full.
5. Services are provided on an annual basis and Sovereign shall not, without prior written agreement, be required to provide such Services for shorter periods or for part only of the relevant annual period.
6. Without prior agreement, Sovereign will not pay interest on any monies held by or on behalf of a Client.
7. A termination fee shall be payable by the Client to Sovereign upon the Services no longer being required whether as a result of the winding up or disposal of the Company, the transfer of management or otherwise. The fee shall be £500 in respect of Companies for which annual invoices are denominated in Pounds Sterling or US\$800, or the local currency equivalent, in respect of Companies for which annual invoices are denominated in US Dollars or other currencies. Sovereign shall be entitled to charge additional fees for documentary work, time spent in effecting such termination and disbursements payable to third parties.
8. Sovereign reserves the right to refuse to accept instructions from a Client or to discontinue the provision of Services without giving any reasons therefor.

DIRECTORS

9. Where Sovereign provides directors and/or company secretary ("Officers") to or for a Company:
 - 9.1 The Officers shall at all times be willing to consider and entertain requests and suggestions from the Client in respect of the management of the Company but they shall not be willing or required to act in any manner which is or appears to them to be dishonest, illegal, improper or incorrect.
 - 9.2 Sovereign shall procure the resignation and replacement of the Officers upon receipt of a written request from the beneficial owners of a majority of the voting shares of the Company except that in the case of a hybrid company or a company limited by guarantee the request may be properly given by the holders of a majority interest in the profits of the Company.
 - 9.3 The Client shall at all times indemnify and keep indemnified the Officers in respect of all actions, claims and demands, losses and costs made against or suffered or incurred by the Officers in the exercise or purported exercise of their duties unless the Officers shall be guilty of personal dishonesty.
 - 9.4 The Client acknowledges and understands that Officers may incur personal liabilities if certain statutory obligations relating to the Company are not

complied with and that compliance with such statutory obligations is dependant on the Client promptly paying fees and responding to requests for information. If the Client fails to pay fees when due or respond promptly to requests for information the Officers shall be entitled to resign their services and the Client hereby irrevocably and unconditionally appoints Sovereign its attorney and agent for the purpose of appointing the Client as Officer in their place.

REGISTERED OFFICE

10. Where Sovereign provides registered office facilities to or for the Company:
 - 10.1 No reference shall be made to that registered offices address in any advertisement or public announcement without the specific consent of Sovereign thereto.
 - 10.2 The facility is available on the basis of a licence revocable at will by Sovereign and the Client shall upon request from Sovereign immediately transfer the registered office address to another address selected by the Client.
11. From time to time, it may be necessary for Sovereign to move its offices to another location and such a move may make it necessary for the registered office address of the Company to be changed. Sovereign undertakes to give the Client as much advance notice as possible of any such move but shall not be liable or held responsible for any costs incurred by the Client or the Company as a result thereof.

OTHER PROVISIONS

12. To enable Sovereign at all times to contact the Client, the Client shall provide full details of and promptly inform Sovereign of any changes to his usual residential address, telephone number, fax number and any e-mail address in addition to any business or other contact address provided by the Client.
13. All instructions or requests for action shall be transmitted to Sovereign by the Client in writing. Sovereign may, at its discretion, agree to action any request or instruction given otherwise than in writing but in such event Sovereign shall not be liable in respect of any misunderstanding or error occasioned in processing such action or request acted upon in good faith.
14. All communications in relation to the administration of the Company, including annual invoices, shall be deemed to have been properly communicated to the Client if sent to the address notified to Sovereign by the Client in accordance with this Agreement and all such communications shall be deemed to have been properly received by the Client seven (7) days after posting such communication to the Client. It shall not be necessary for Sovereign to provide proof of postage.
15. Sovereign shall not be liable for any failure to comply wholly or in part with any instructions and shall not be responsible for non-receipt of instructions. The Client shall have no claim whatsoever against Sovereign in respect of anything done or omitted to be done or in respect of any exercise of any discretion unless same shall involve dishonesty.
16. The Client shall at all times hereafter indemnify and keep indemnified Sovereign against all actions, suits, proceedings, claims, demands, costs, charges, expenses and consequences whatsoever which may be taken or instituted against Sovereign or which may be incurred or become payable by Sovereign by reason of or on account of (i) Sovereign having acted or declined to act on any instructions or otherwise pursuant to this Agreement, (ii) Sovereign providing any officer, registered office or other Service in respect of the Company or (iii) Sovereign providing a representative or nominee shareholder of the Company pursuant to this Agreement.
17. In its brochure and other materials Sovereign provides information, inter alia, on corporate, trust, immigration and commercial matters. Such information does not purport to be legal or other professional advice and shall not be taken to constitute such advice or used or relied upon by the Client as such. The Client shall take his own independent advice on any matter relating to the Company and any Services provided by Sovereign that may affect or concern the Client and his personal affairs and shall not rely upon any representations (whether oral, written, expressed, implied or otherwise) made by Sovereign, its employees, agents or representatives.
18. To satisfy Sovereign's due diligence requirements, upon request the Client shall provide Sovereign with whatever information Sovereign may reasonably require about the background of the Client and/or the dealings and the business of the Company.
19. Where Sovereign receives mail on behalf of a Client or a Company Sovereign retains the right to open that mail in accordance with the requirements of local legislation or regulation or as good practice dictates.
20. This Agreement shall be governed by the laws of, and be deemed to have been made in, the place of incorporation of the Company. Any proceedings arising out of or in connection with this Agreement may be brought in any court of competent jurisdiction and Sovereign shall retain the right to commence proceedings in any other jurisdiction it may consider appropriate.
21. Sovereign shall be entitled to amend these Terms and Conditions from time to time Provided That Sovereign shall give reasonable advance notice in writing to the Client before such amended Terms and Conditions shall take effect.