

## Saudi Arabian business set up Invoice

Our Client's name

Company license No.: 268868

Our Client's address

TRN.: 100399843000003

Date: Tuesday, January 03, 2023

Invoice No: 2022 – 09 – 026SA

Professional services for Saudi Arabia <a href="#">MISA LLC</a> setup (no travel)	Notes	2023 US\$	2024 US\$
Assistance to secure <a href="#">MISA</a> foreign investment license approval	1.	8,650	0
Saudi Arabian LLC <a href="#">company formation</a> (without travel)	2.	21,950	7,420
Estimated of total Saudi Arabian <a href="#">Government fees</a> (including <a href="#">MISA</a> & MCI)	3.	10,349	21,470
Assistance to locate <a href="#">office premises</a> including municipality approval	4.	3,850	0
General Manager <a href="#">Iqama (employment visa)</a>	5.	7,950	0
<a href="#">Project management</a> fees for a 7-month engagement	6.	9,850	0
Saudi <a href="#">Ministry of Labour</a> and <a href="#">tax</a> registrations service	7.	2,950	0
Saudi Arabia multi-currency <a href="#">corporate bank account</a> opening (no travel)	8.	4,950	0
Annual <a href="#">accounting, tax and audit</a> filing fees for an active company	9.	0	11,050
<b>Total</b> Healy Consultants Group PLC fees payable <a href="#">in instalments</a>	10.	<b>70,499</b>	0
Healy Consultants Group PLC fees payable after <a href="#">12 months</a>	11.	<b>0</b>	<b>39,940</b>

**Note:** I recommend you carefully read the notes in the following pages, to accurately and completely 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. Before our Client can register a foreign owned Saudi Arabian LLC, it is necessary to obtain pre-approval from the [Ministry of Investment](#) of Saudi Arabia (MISA). This regulatory authority will review the foreign investment plan before issuing a foreign investment license. Within 45 days, Healy Consultants Group PLC will assist our Client secure a MISA foreign investment license. During this time we will craft a detailed business plan that will specify **i)** the nature of business and financial strength of the parent company and **ii)** market entry strategy and economic feasibility to realize the investment and **iii)** financial projections such as annual turnover and annual net profits and expected assets to be acquired within the next 5 years and **iv)** manpower projections and compliance with Saudization requirements. Healy Consultants Group PLC will meet with MISA officers to discuss **a)** our Client's business plan and **b)** aggressively and skilfully negotiate minimum paid up share capital requirements and **c)** secure 100% wholly foreign ownership. As with every country in the world, the Government has the ultimate decision to grant license approvals; and 
2. Within **8 weeks** from the receipt of **i)** engagement fees and **ii)** signed incorporation documents and **iii)** securing the MISA pre-approval, Healy Consultants Group PLC will complete Saudi Arabian LLC registration. Our business set up fees include **i)** crafting a quality business plan and **ii)** the appointment of a local General Manager including drafting a Power of Attorney for local representation and **iii)** drafting accurate and complete Articles of Association and **iv)** settling our lawyers and accountants fees and **v)** preparing multiple shareholders and directors resolutions and **vi)** [CIC](#) registration and **vii)** payment of multiple Government fees. Before submitting a quality company incorporation application to the [Ministry of Commerce](#), our Staff and Client will detail-discuss important business set up considerations outlined on [this web page](#); and
3. This fee is an estimate of government costs payable during your Saudi Arabian business set up engagement. For transparency purposes, all government fee payments will be supported by original receipts and invoices. Example of government costs include:
  - ✓ payment of the MISA license application fee of US\$ 5,500; and
  - ✓ reserving the company name at a cost of US\$ 100; and
  - ✓ the [MIC](#) fee of US\$ 200 to submit the incorporation package; and
  - ✓ expenses of US\$1000 to notarize the Articles of Association (AoA) with a Public Notary; and
  - ✓ the cost of US\$ 330 to issue a Commercial Registration (CR) certificate; and
  - ✓ the [Chamber of Commerce](#) registration fee of US\$ 1,000; and
  - ✓ the activation of the Ministry of Commerce (MoC) online account; and
  - ✓ the registration and activation of the [Absher](#) smartphone application.

To access the MISA portal services, the Government [subscription](#) fee is **i)** US\$2,700 (SAR 10,000) in the first year and **ii)** US\$16,000 (SAR 60,000) each year thereafter. For transparency purposes, I will cc you in some of my email communications with Government ministries. Following engagement completion, Healy Consultants will refund our Client any excess of funds received over actual Government costs paid;

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4. Immediately after company registration and before it issues a Municipality Licence, the Saudi Arabian government must review and approve a lease agreement for physical [office premises](#). As always, my team and I will help our multi-national Clients' locate a simple, practical, temporary low cost office solution; until our Client is ready to find a permanent physical office premises. Our one-time finder fee includes the time taken to **i)** find a temporary Saudi city centre business address to satisfy the MIC expectations and **ii)** aggressively and skilfully negotiate with the landlord the best lease terms and conditions for our Client; including minimize annual rentals and maximize office space. For transparency purposes, I will cc you in some of my email communications with potential landlords. The monthly rental fees will be paid directly to the landlord and independent of Healy Consultants Group PLC; and

After our Client has selected their preferred office premises, Healy Consultants Group PLC will secure Municipality license approval including complete the National Address Registration and the [Saudi Post registration \(Wassel\)](#). Before the Municipality license is granted, the Government will do an onsite inspection to confirm **i)** the landlord already has Civil Defence approval and **ii)** the office is adequately furnished and has CCTV cameras installed and **iii)** has a sign board with the company's details affixed on the exterior of the office; and

5. During the Saudi Arabian business set up process, it is necessary to appoint a General Manager who is either **i)** a Saudi national or **ii)** an expatriate with a local visa. If our Client wishes to appoint their preferred expatriate employee as the General Manager, it is necessary to secure a local Saudi work [permit \(iqama\)](#) immediately after company registration. Securing a Saudi work visa approval will take 2 months. The General Manager is responsible for the day to day operations of the company including **i)** keeping adequate records of accounts and operations and **ii)** and supervising and directing the activities of the company's employees and **iii)** and selecting, hiring and terminating the agents and employees of the company and determining their wages, benefits and other terms and conditions of employment and **iv)** ensuring the company meets its monthly & quarterly & annual Government reporting statutory obligations and **v)** and executing contracts, agreements, leases and other documents and transactions on behalf of the Company and **vi)** representing the Company in the Kingdom of Saudi Arabia before any and all private and governmental bodies **vii)** and assuming the Company's daily administration and management; and
6. Healy Consultants Group PLC Staff do not charge hourly rates. Instead we charge [project management fees](#) for complex engagements that will last for 6 months or more. This fee covers time and resources to:
- ✓ thoroughly research and plan the Saudi Arabian business set up for our Clients specific business; and
  - ✓ devise strategies to **i)** [simplify](#) the corporate structure **ii)** minimize the engagement period **iii)** complete the engagement without travel; and
  - ✓ collate and supervise the legalisation and attestation and translation of Client documents; and
  - ✓ weekly detailed engagement [status updates](#) to our Client and weekly Friday conference calls; and
  - ✓ ascertain the specific accounting, tax, legal and compliance considerations; and
  - ✓ finding solutions to [challenges that occur](#) throughout the engagement;

If Healy Consultants Group completes the engagement faster and easier than expected, my team and I are happy to refund some project management fees to our Client. If the engagement proves to be more complex or our Client requires a large additional investment of our time to complete the engagement, my Firm will revert to request additional project management fees.

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7. In accordance with Saudi Arabian law, each entity must register with **i)** the Ministry of Labor ([MHRSD](#)) and **ii)** the General Organization for Social Insurance ([GOSI](#)) and **iii)** register for corporation tax and VAT with the General Authority of Zakat & Tax ([GAZT](#)). Within a month, Healy Consultants Group will complete all of these statutory registrations and activate online portals accounts. With these registrations, our Client can apply for **a)** employment visas [Muqem](#) and **ii)** pay local Staff [Mudad](#) and **iii)** [Qiwa](#); and
8. Without bank signatory [travel](#), Healy Consultants Group PLC will secure multi-currency [corporate bank](#) account numbers for our Client's KSA company. From the moment a complete quality corporate bank account opening application is submitted to the banks, it will take on average [8 weeks](#) to secure corporate bank account numbers. In most cases, we can secure corporate bank account numbers without our Client's travel to bank's branch.

Multi-currency corporate bank account opening is the most [challenging](#) part of the engagement. Consequently, we apply our "[guaranteed bank account](#) approval or your money back" policy. To minimize engagement surprises and align all parties' expectations, I recommend you read [this web page](#), specially the due diligence documentation section. To maximize the probability of successful multi-currency corporate bank account approvals Healy Consultants Group PLC will:

- ✓ prepare a quality business plan, including expected inflow and outflow of funds for the first 12 months;
- ✓ contact multiple banks to secure their written confirmation, welcoming a formal application from our Client's business;
- ✓ weekly negotiate and aggressively follow up with the bank relationship managers to ensure a timely corporate bank account approval;

Before being approved by the bank in-house Legal and Compliance Department, the foreign bank signatory to a Saudi multi-currency corporate bank account must have a Saudi Iqama (valid work/residency visa). The estimated timeframe to obtain this employment visas is 2 months and travel is required before the visa is stamped on the passport. Thus, significantly delaying the bank account opening process.

To legally conduct business as soon as practical, some of our multi-national Clients' ask Healy Consultants Group PLC for a local temporary professional passive nominee General Manager, who will also be the temporary bank signatory. For a one-time fee of US\$ 3,950, our Staff will **i)** supply a detailed table comparing and contrasting different GM candidates and **ii)** aggressively and skillfully negotiating and minimizing monthly GM fees and **iii)** crafting a GM Professional Services Agreement. The latter will include terms and conditions that protect our Client Saudi Arabian business including **a)** agreeing GM termination and exit clauses and **b)** devising simple, practical strategies to protect our Clients' Saudi Arabian multi-currency corporate bank account; and

9. Assuming our Clients' subsidiary is active, this is an estimate of Healy Consultants Group PLC's fees to timely accurately and completely discharge our multi-national Clients' annual KSA legal & accounting & [audit](#) statutory obligations. Refer to this [web page](#) to better understand this important annual professional service.

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10. All fees quoted in this sales invoice correspond to fees quoted on Healy Consultants Group PLC's business [web site](#). Please review this invoice carefully to identify errors. During the rush of the business day, it is possible that our Staff inadvertently made fee calculation or typing errors, or omitted services or omitted previous fee payments from our Clients. In the unlikely and unfortunate event you identify errors, please revert to us directly and we will immediately amend the invoice. I apologize in advance if I or my staff made invoice errors;
11. Assuming our Client will [re-engage](#) Healy Consultants Group PLC, this fee is an estimate of the fees payable next year, 12 months after the date of company registration this year; and
12. In accordance with the [UAE VAT law](#), Healy Consultants Group DMCC is required to impose 5% VAT on all invoices issued to **i)** UAE based Clients or **ii)** multi-national Clients' setting up business in the UAE. Healy Consultants Dubai LLC sales invoices are zero VAT rated for multi-national Clients' requiring business set up outside of the UAE
13. Saudi Arabian Company Law does not specify a minimum paid-up share capital for services and industrial licenses. In practice and on a case-by-case basis, MISA imposes specific paid-up share capital levels. To help our Client plan, MISA usually accepts a minimum paid-up share capital of approximately **i)** US\$135,000 (SAR500,000) for a service-based business and **ii)** US\$266,000 to US\$1.33 million (SAR 1 million to SAR 5 million) for an industrial business; and
- Within 11 months following the issuance of the commercial registration (CR), the MISA recommended paid-up share capital must be deposited to the Saudi Arabian multi-currency corporate bank account; in the form of a cash deposit from the parent company.
- Trading businesses, however, have a minimum share capital requirement of US\$8 million (SAR30 million) to be paid up within 90 days from company registration. Further, trading business are also expected to invest up to US\$68 million (SAR250 million) within 3 years and US\$82 million (SAR300 million) within 5 years.
14. Assuming our Clients' subsidiary is active, an estimated fee of US\$ 7,970 will be charged by Healy Consultants Group PLC's to timely accurately and completely discharge our multi-national Clients' annual KSA legal & accounting & [audit](#) statutory obligations. Refer to this [web page](#) to better understand this important annual professional service. A dormant inactive company is also required to submit audited financial statements;
15. Over the coming months, you may need Healy Consultants Group PLC support for **i)** [book-keeping](#) and **ii)** [monthly and quarterly](#) Government reporting and **iii)** [employee](#) matters; and
16. Refer to [this important web page](#) for additional terms and conditions applying to this country engagement; and

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Thank you for your business and we look forward to working closely with you over the coming months, as we [project manage](#) your Saudi Arabia business [set up](#).

Best regards,

*Aidan Healy*

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[Business owner](#)

Healy Consultants Group PLC

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