

## Egypt business set up

Our client's name

Company Reg. No.: 268868

Our Client's address

VAT TRN: 100399843000003

Date: Friday, January 07, 2022

Invoice No: 2020 – 10 – 003p

Professional services for business setup (without travel)	Notes	Year 1 US\$	Year 2 US\$
Egypt <a href="#">LLC company formation</a> fees (without travel)	1.	9,750	2,450
Company <a href="#">secretary and legal registered office</a> fees	2.	2,400	2,400
Government <a href="#">registration</a> fees	3.	600	300
Company's <a href="#">tax ID application</a> services	4.	950	0
Company <a href="#">bank account</a> opening fees (without travel)	5.	4,950	0
Healy Consultants Group's <a href="#">project management</a> fees	6.	3,950	0
Social security and labour file opening fees	7.	550	0
Estimate of annual <a href="#">accounting, audit and tax</a> fees	8.	0	3,950
<b>Total fees payable before company registration</b>	9.	<b>23,150</b>	0
Estimate of Healy Consultants Group's fees payable after 12 months	10.		<b>9,100</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.

## Egypt business set up

### Notes to invoice above

1. Healy Consultants Group's fees to efficiently and effectively complete Egyptian company registration within [six weeks](#) including **i)** agreeing to the optimum corporate structure **ii)** securing regulatory license exemption **iii)** settling our accountant and lawyer fees **iv)** assisting our Client to legally minimize international tax **v)** submitting a quality company incorporation application to the [General Authority for Free Zones and Investment](#) (GAFI) and **vi)** securing approval from the Egyptian government for the security clearance of the directors, shareholders and beneficial owners of the business.

All [engagement fees](#) 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 Group 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 Egyptian company must appoint a company secretary, who may be a natural person or a body corporate, but the company secretary must be resident in Egypt. Healy Consultants Group will act as your Egyptian company secretary, for which our annual responsibilities include **i)** preparing and filing the legal annual return **ii)** securely maintaining company records **iii)** liaising with the Egyptian government on our Client's behalf **iv)** legal filing of changes of company structure and **v)** reminding our Client of statutory deadlines.

In accordance with the [Egypt Companies Law 159/198](#), a company 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 Group's Egypt office will be the registered office address for your company. 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 Group's [office address](#) on invoices, contracts, websites and business cards.

3. This fee is an estimate of government costs payable during your firm's engagement. For transparency purposes, all government fee payments will be supported by original receipts and invoices. Examples of government costs include **i)** reserving the company name with [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 company and/or individual documents will be borne by our Client. Following engagement completion, Healy Consultants Group will refund our Client any excess of funds received over actual government costs paid.
4. In accordance with [Egypt Companies Law](#), each entity must register for corporate tax and VAT at the Investment Tax Office at the [GAFI](#).

## Egypt business set up

5. Without bank signatory travel, Healy Consultants Group will secure multicurrency corporate bank account numbers for our Client's Egyptian company office. From the moment a complete quality corporate bank account opening application is submitted to the banks, it will take on average two months to secure corporate bank account numbers. In most cases, my firm will secure corporate bank account numbers without our Client to travel to the bank's branch. When travel is unavoidable, we refund US\$950 to our Client.

Corporate bank account opening is the most challenging part of the Egyptian business set up engagement. Consequently, we apply our "guaranteed bank account approval or your money back" [policy](#). To maximize the probability of successful multicurrency corporate bank account approvals Healy Consultants Group 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 and 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.

To minimize engagement surprises and align all parties' expectations, I recommend you read [this web page](#), specially the due diligence documentation section.

6. Healy Consultants Group project management fees relate to time and resources dedicated to:
- a) Thoroughly researching and planning Egyptian business set up for our Client's specific business.
  - b) Devising strategies to **i)** minimize the total engagement period **ii)** complete the engagement without our Client's travel **iii)** avoid the need for a Egyptian [national shareholder](#) and **iv)** avoid the need for a regulatory license.
  - c) Agreeing the optimum corporate structure with our Client.
  - d) Submitting a high-quality company incorporation application to the [GAFI](#).
  - e) Choosing the optimum regulatory license for our Client business activities (if required).
  - f) Injecting the paid-up share capital on our Client's behalf (if required).
  - g) Collating and supervising the legalization and attestation and translation of Client documents.
  - h) Weekly detailed engagement status updates to our Client and weekly Thursday conference calls.
  - i) Payment of retainer fees to multiple local lawyers and accountants.
  - j) Ensuring our Client complies with local regulations and legally owns and controls the entity.
  - k) Ascertain the specific accounting, tax, legal and compliance considerations.

## Egypt business set up

- l) Finding solutions to challenges that occur throughout the engagement.
  - m) Determining the local and international tax obligations of the new entity, including corporate income tax, payroll taxes, withholding tax and sales taxes.
7. Immediately after the company is set up, our Clients must proceed to complete social security registration and opening the labour file. Upon completion and until the company hires employees, the recently registered Egyptian entity must pay monthly social security contributions for the shareholders of the company. The social security contribution is 29.75% of the basic salary, shared between the company "18.75%" and the employee "11%".
8. For an active trading company, these [accounting, audit and tax](#) fees are an estimate of Healy Consultants Group's fees to efficiently and effectively discharge your annual company accounting, audit and tax obligations including i) preparation of the financial statements for our Client's review and signature ii) [project-management of the statutory audit](#) and iii) submission of the audited financial statements and corporate income tax return to the Egyptian government. Third-party auditor fees are payable directly by our Client to the auditor. Following receipt of a set of draft accounting numbers from your company, Healy Consultants Group will more accurately advise accounting, audit and tax fees. For a dormant company, Healy Consultants Group's fees are only US\$950.
9. All fees quoted in this invoice correspond to fees quoted on Healy Consultants Group's [website](#). Please review this invoice carefully to identify errors. During the rush of the business day, it is possible that our team inadvertently make 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.
10. Assuming our Clients re-engage Healy Consultants Group in year 2, this fee is an estimate of the fees payable next year, 12 months after the date of company registration.
11. 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 Group 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 Group completes the engagement faster and more easily than expected, we are happy to refund some fees to our Client.
12. Engage Healy Consultants Group 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](#).
13. It is mandatory for every Egyptian company to appoint a company independent auditor during company incorporation to annually audit the entity's financial statements. Most of our Clients appoint Healy Consultants Group's preferred auditor for company 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.

## Egypt business set up

14. In accordance with the [Egypt Companies Law 159/198](#), there is no minimum issued share capital required for an Egyptian LLC. However, to secure a smooth incorporation process, it is recommended to have a minimum paid up share capital of US\$1,000. To optimize engagement efficiency and minimize delays, Healy Consultants Group is happy to deposit these funds on behalf of our Clients.
15. Depending on our Client's business and nationality, the Egyptian government may require a special regulatory license to carry on your business in the country. Healy Consultants Group will assist our Client secure license approval, and there may be additional engagement fees. However, the government enjoys ultimate power of approval of company registrations and business licenses.
16. If our Client and Healy Consultants Group properly plan this engagement, our Clients' will **not** have to travel during this engagement. Healy Consultants Group will efficiently and effectively complete company registration and corporate 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 our office.
17. Those Clients needing a fast turnaround, may pay government VIP service fees to have the company set up in 2 weeks. The exact government VIP service fee varies depending on nationality of the directors and shareholders, complexity of the corporate structure and share capital levels. That said, our Clients should expect to pay government VIP fees of US\$700.
18. If our Client require non-resident nominee shareholder and director [services](#), Healy Consultants Group will be pleased to assist. Our fee for professional, passive nominee non-resident corporate shareholder amounts to US\$2,100 per annum. Our fee to be both non-resident 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 Group to reputation, litigation and financial risk.
19. If required, Healy Consultants Group will be pleased to assist your firm to secure [employee visa approvals](#). Our fee is US\$3,950 for the first employee, US\$2,950 for the second employee and US\$1,950 per employee thereafter. Our employee visa fees include 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 Group's control. What is inside our control is the preparation and submission of a high-quality immigration visa application that maximizes the likelihood of visa approval.
20. Unfortunately, our Clients needing an import license can only apply for the same after 18 months following company registration. In addition, prior to license application, the company must **i)** appoint a 51% Egyptian shareholder **ii)** an Egyptian managing director **iii)** the paid-up share capital must be US\$130,000 (EGP2 million) and **iv)** the company must have issued invoices for an amount above US\$320,000 (EGP5 million). If required, Healy Consultants Group will be happy to supply you an Egyptian national to be appointed as managing director and 51% shareholder. Our one-time nominee introduction fee is US\$1,950. Expected annual nominee shareholder fees amount to US\$6,600.



## Egypt business set up

21. Some of our Clients request Healy Consultants Group 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 is paid directly to the landlord, independent of our firm.
22. Monthly, quarterly and mid-year government tax obligations include monthly and quarterly payroll reporting, VAT and corporation tax return filing. If you need our help, Healy Consultants Group can complete monthly government reporting for a monthly fee of US\$860. Healy Consultants Group's 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.
23. Together with company incorporation, it is necessary for the Egyptian government to conduct a security check on each individual director and shareholder. This process can take up to 4 months. However, after the company 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 company. Should this be required, Healy Consultants Group will be pleased to assist your firm to change the corporate of the Egyptian company by appointing your preferred director or shareholder. Our fees for the same amounts to US\$2,950.
24. 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 our help to clarify your local and international annual tax reporting obligations.
25. Some of our Clients engage Healy Consultants Group 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.
26. During the engagement, shareholders and directors' documents may need to be translated into the local language before the government and bank approves company registration and corporate bank account opening respectively. Consequently, our Client should budget for possible additional translation and embassy attestation fees. Either our Client or Healy Consultants Group can complete this administrative task. As always, Healy Consultants Group 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 and **iii)** official translator fees.
27. Some of our Clients require an [immediate country solution](#). With this strategy, within a day, Healy Consultants Group can supply our Client **i)** an existing dormant Egyptian company number **ii)** an already approved Egyptian 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.
28. As stipulated on our business [website](#) and in section 3 of our engagement letter, Healy Consultants Group will only commence the engagement following **i)** settlement of our fees and **ii)** completion and signing of our legal engagement letter. Healy Consultants Group will only incorporate your company after 100% of [due diligence documentation](#) is received by email. Healy Consultants Group will only open a corporate bank account after 100% of the Client's original due diligence documentation is received by courier.

## Egypt business set up

29. During the annual renewal engagement with our Client, our in-house Legal and Compliance Department reviews the quality and completeness of our Client's file. Consequently, Healy Consultants Group may revert to our Client to ask for more up to date [due diligence documentation](#).
30. 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.

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

DRAFT