

Setting up a New Local Company

Are you thinking of setting up your own business? If you have been thinking about starting your own business then you need a lawyer to assist you. **What do I need to know?** At the start you need to know about how to set up a company, the legal requirements, directors, company secretary, administration, registered office, and a number of other matters.

We can help you with all these matters and make it easy for you.

What are the benefits of a company?

The main benefits of a limited liability company over a sole trader or partnership are:

- limited liability: you are only liable for the value of the assets in your company (whereas sole traders and partners have unlimited liability for all the debts of the business) and exposure to their personal assets
- it may be easier to borrow money from a bank or to raise capital through investors
- a company is normally taken more seriously than a sole trader

What are the minimal legal requirements that I have to comply with?

The minimum requirements for a local company are:

- Two Bermudian directors and a company secretary
- at least 60 percent of the directors and shareholders must be Bermudian
- a minimum share capital of \$1
- a Memorandum of Association which sets out the purpose of the company
- a set of Bye-laws to govern the administration of the company

What steps do I have to take for incorporation?

1. Do you have a name for your company? Let us know. We can reserve it for you.
2. You will need to provide information for the forms that will be submitted to the Bermuda Monetary Authority and the Registrar of Companies.
3. We can make it easy for you by providing a registered office, company secretary, and look after all your company registers such as the register of directors and shareholders.
4. You will also have to hold an initial directors meeting and a meeting of shareholders when the company is set up.

Once the company is set up what else do I have to do?

We can provide you with a list of things that you will need to do once you have set up. Please ask us for more information.

How much will this cost?

We provide a start up set of services that are very competitively priced. We will be very pleased to discuss this with you. There are some costs that you will not be able to avoid such as incorporation costs, stamp duty, and registration fee. Ask us for a quote.

The information given in this article is no substitute for actual legal advice. Before setting up a new company, it is prudent that you consult your attorney. Information is accurate as of date of publication: 31st January, 2011

Who Should I speak to?

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When choosing an attorney, friends and family are a great resource. They can often recommend experienced specialist attorneys as they will have consulted them before. A specialist attorney will be more experienced at dealing with any potential problems or delays in real estate transactions. At Trott and Duncan, our conveyance team has a combined total of over 90 years experience in real estate law.

You will always be in good hands with Trott and Duncan.

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