

Procedures and Fees for the Registration of a Representative Office in Guangzhou

Summary

This quotation applies to situations where a foreign company intends to set up a representative office in Guangzhou, China to carry out market surveys, products displays and marketing activities related to the products and business of the foreign company and liaison activities in relation to product sales, service providing, domestic procurement and investment and that no special licence or permit is required.

Our fees for handling the formation and registration of a representative office in Guangzhou, China are USD2,000 and our fees cover the services listed in Section 1.1 of this quotation. Our service fees, however, do not include the payment of official registration charges, legalisation of incorporation documents of the foreign company (the head office) of the representative office.

The materials required include legalised or apostilled incorporation documents of the foreign company, a lease agreement of the office space to be used by the representative office and others. A list of the materials is detailed in Section 4 of the quotation.

The whole process for the registration of a representative office in Guangzhou, China takes around one month. It should however be noted that most of the procedures are subject to approval granted by the government departments and therefore some of the procedures may take longer than expected.

If, due to the limitation of foreign company principal business activities, the registration of representative office requires special licence or permit, we may need to adjust our fees and the time required may need to be extended accordingly.

SHENZHEN 深圳

Rooms 1203-06, 12/F.
Di Wang Commercial Centre
5002 Shennan Road East
Luohu District, Shenzhen, China
中國深圳市羅湖區深南東路5002號
地王商業中心12樓1203-06室
T: +86 755 8268 4480

SHANGHAI 上海

Room 1201, 12/F., Tower A
Guangqi Culture Plaza
2899A Xietu Road, Xuhui District
Shanghai, China
中國上海市徐匯區斜土路2899甲號
光啟文化廣場A座12樓1201室
T: +86 21 6439 4114

BEIJING 北京

Room 303, 3/F.
Interchina Commercial Building
33 Dengshikou Street
Dongcheng District, Beijing, China
中國北京市東城區燈市口大街33號
國中商業大廈3樓303室
T: +86 10 6210 1890

TAIPEI 台北

Room 303, 3/F., 142 Section 4
Chung Hsiao East Road
Daan District, Taipei
Taiwan 10688
台灣台北市大安區忠孝東路四段
142號3樓之3
郵編: 10688
T: +886 2 2711 1324

TOKYO 東京

308 BIZMARKS Akasaka
2-16-6 Akasaka, Minato-Ku, Tokyo
Japan 107-0052
日本東京都港區赤坂二丁目16番6號
BIZMARKS赤坂308室
郵編: 107-0052
T: +81 3 5776 2637

SINGAPORE 新加坡

138 Cecil Street, #13-02 Cecil Court
Singapore 069538
T: +65 6438 0116

KUALA LUMPUR 吉隆坡

Menara Suezcap, Tower 2
E-13A-3A, No. 2 Jalan Kerinchi
Gerbang Kerinchi Lestari
59200 Kuala Lumpur, Malaysia
T: +60 19 2177 344

NEW YORK 紐約

202 Canal Street, Suite 303, 3/F.
New York, NY 10013, USA
T: +1 646 850 5888

LONDON 倫敦

Room 319, 3/F., One Elmfield Park
Bromley, Greater London
BR1 1LU, UK
T: +44 20 8176 3860

SHENZHEN 深圳

Rooms 1203-06, 12/F.

1. Registration Cost

1.1 Our Service Fees

Our fees for handling the registration of a representative office in Guangzhou, China are USD2,000. In particular, our fees cover the following services:

- (1) Preparation of application documents for RO registration;
- (2) Arranging for the announcement of RO registration on designated media;
- (3) Application for RO registration certificate;
- (4) Carving RO chops and name chop of the chief representative;
- (5) Setting up one RMB basic bank account;
- (6) Application for internet banking facility.

If, due to the limitation of foreign company's principal business activities, the registration of representative office requires special licence or permit, we may need to adjust our fees accordingly.

1.2 Official Filing Fees

Our service fees stated in Section 1.1 do not cover any official filing fees and other expenses. The estimated official filing fees and other expenses are around USD400. The official filing fees and other expenses will be billed with supporting official receipts.

1.3 Additional Foreign Currency Account

Our service fees stated in Section 1.1 cover the setting up of a basic RMB bank account for the new RO. However, it does not cover the setting up of any additional accounts. If the RO will receive foreign currency payment from overseas, then you must open a foreign currency general settlement account accordingly. Should you decide to engage us to set up an additional account, we will charge a fee of USD300.

1.4 Legalisation or Apostillization Fees

Our fees stated above also do not cover the legalization or apostillization of the incorporation documents of the foreign company. Kaizen is able to arrange the legalisation or apostillization of incorporation documents for foreign company registered in Hong Kong, Singapore, Taiwan, British Virgin Islands, Cayman Islands and Bermuda and a few other countries. Fees for legalisation or apostillization will be quoted upon request.

1.5 Translation Costs

Our service fees stated in Section 1.1 do not cover translation costs for translating the documents prepared by you from English to Chinese or translation of registration documents from Chinese to English. If so required, we will charge an extra amount of USD55 per page of A4 size paper for the translation services.

2. Payment Terms and Methods

Upon receipt of your order, we will issue an invoice to you for your settlement. We require full payment in advance.

If China's mainland or Taiwan official tax invoice is required, Value-Added Tax or Business Tax at the prevailing rate in the respective jurisdiction will be charged.

3. Basic Structure of a RO in Guangzhou

The minimum requirements of a representative office in Guangzhou, China are as follows:

- (1) At least one chief representative.
- (2) The foreign company must be established and operating for more than two years.
- (3) No more than three general representatives (if any).
- (4) The chief representative or general representative must be a natural person with no restriction on nationality.

4. Required Documents and Materials

The following materials are required for the purpose of application for registration of a representative office in Guangzhou, China:

- (1) Name of the Representative Office to be Registered

The name of representative office to be registered in Guangzhou must follow the format "Name of Origin Country + Chinese Translation of Name of the Foreign Company + Guangzhou Representative Office".

- (2) Particulars of the Foreign Company

Please provide the particulars of the foreign company, including the registered address, principal business activities, registered capital or total assets, contact phone number etc.

(3) Tenancy Agreement

One set of original tenancy/lease agreement and photocopy of the property ownership certificate of the office premise to be used by the RO. Please note the agreement shall clearly indicate the premises is for office use only and the lease term shall not be less than 12 months.

(4) Legalised or Apostilled Incorporation Documents of the Foreign Company

One set of legalised or apostilled incorporation documents of the foreign company. The foreign company's incorporation documents, including Certificate of Incorporation and/or Business Registration Certificate, registered address and articles of association, shall be legalised or apostilled by the competent authority in the country where the foreign company is registered.

(5) Legalised or Apostilled Power of Attorney

One set of power of attorney to the person who will sign all the application documents on behalf of the foreign company, which shall be legalised or apostilled by the competent authority in the country where the foreign company is registered.

(6) Legalised or Apostilled Bank Reference Letter

One set of bank reference letter of the foreign company, which shall be legalised or apostilled by the competent authority in the country where the foreign company is registered.

(7) Legalised or Apostilled Letter of Appointment

One set of letter of appointment for the chief representative or general representative and his/her identity document, which shall be legalised or apostilled by the competent authority in the country where the foreign company is registered.

(8) Chief Representative and General Representative

Please provide particulars of the chief representative and general representative (if any), including name, China mobile number, email address, residential address in China, arrival date in China and personal resume. Please also provide a photocopy of their identity documents and two one-inch colour photos.

If the chief representative or general representative is a foreigner, then his or her passport copy and the page of valid business visa shall be provided as well.

(9) Particulars of Preferred Bank

Please provide the name of preferred bank and the designated branch at which the bank account of the representative office is to be established.

Please note the chief representative of the representative office is required to visit the bank to open the bank account. And the bank officers will go to your registered address to conduct a site inspection when you submit the application to them.

5. Estimated Time Frame

It is estimated that the whole registration process would take around one month, subject to the schedule of the investor and also the approval by the various registration authorities in Guangzhou.

6. Certificates and Materials obtained after Registration

After the representative office is officially registered, it will obtain the following certificates, corporate documents and seals to prove its legal existence and to carry out its daily operation.

- (1) Registration Certificate
- (2) Representative Certificate of chief representative and other representatives
- (3) Representative Office's seal, financial seal, name seal of the chief representative
- (4) Bank Account Stuffs

7. Annual Compliance Requirements in China

Immediately after a representative office is officially registered in Guangzhou, it is required to comply with various monthly, quarterly and annually filing and reporting requirements. These filing requirements include monthly tax filing, filing of annual audit report, which has to be issued and signed off by a local CPA firm, filing of annual tax reporting to the Guangzhou State Administration of Taxation and filing of annual report to the competent government authorities etc. In any case if any of these annual compliances are not handled in a timely manner, the representative office may subject to penalties or at the risk of getting their license suspended or cancelled by the MSA.

Kaizen is well equipped with experienced personnel and capable of providing all the services that your Guangzhou representative office may need, including but not limited to monthly book-keeping, preparation of tax computation and filing of various tax returns and also performing annual tax clearance and etc.

If you wish to obtain more information or assistance, please visit the official website of Kaizen CPA Limited at www.kaizencpa.com or contact us through the following and talk to our professionals:

Email: info@kaizencpa.com

Tel: +852 2341 1444

Mobile: +852 5616 4140, +86 152 1943 4614

WhatsApp/ Line/ Wechat: +852 5616 4140

Skype: kaizencpa

Schedule 1 – Summary of Costs for Registration of a RO in Guangzhou

Item	Description	Amount USD
1	Service fees for RO registration (Note 1)	2,000
2	Official filing fees and other expenses for RO registration (Note 2)	400
3	Application for an additional foreign currency account	300
4	Legalization or apostillization fees for the foreign company	TBC
5	Translation fees	TBC
TOTAL		2,700

Note:

1. If, due to the limitation of foreign company's principal business activities, the registration of representative office requires special licence or permit, Kaizen can handle the application and our fees will be quoted upon request.
2. The official filing fees and other expenses will be collected before the commencement of services and any shortfall will be billed after completion of registration of the RO.
3. Item 3 to 5 will only be incurred if we are being engaged for such services.
4. If Chinese tax invoice is required, a Value Added Tax and Surcharges of 7.5% would be applicable.