

# INVESTMENT ADVISER LICENCE

Mauritius has the advantage of having a modern and flexible securities law which enables it to issue an array of Investment Adviser Licences within a reasonable period of time and with a low tax regime. The Securities Act 2005, together with the Securities (Licensing) Rules 2007, allow for Investment Adviser Companies to be set up and be licenced in Mauritius. Application for any Investment Adviser Licence can be made under a Global Business Licence (“GBL”) and they are issued by the Financial Services Commission (“FSC”).

According to the Securities Act 2005, no person shall, without being licensed:

- Advise, guide or recommend other persons, or hold himself out to advise, guide or recommend other persons, whether personally or through printed materials or by other means, to enter into securities transactions; or
- Manage or hold himself out to manage, under a mandate, whether discretionary or not, a portfolio of securities, without an investment adviser licence issued by the Commission or without being licensed as a representative of an investment adviser by the Commission.

## Categories of Investment Adviser Licences

According to the Securities (Licensing) Rules 2007, every person who, by way of business, intends to carry out any of the activities of Investment Adviser under section 30 of the Securities Act 2005, shall apply for a licence as an investment adviser in one of the following categories:

### Investment Adviser (Unrestricted) Licence

Authorised to manage, under a mandate, portfolios of securities and give advice on securities transactions other than corporate finance advisory, through printed materials or any other means.

### Investment Adviser (Restricted) Licence

Authorised to give advice on securities transactions other than corporate finance advisory, through printed materials or any other means.

### Investment Adviser (Corporate Finance Advisory) Licence

Authorised to provide corporate finance advisory services with respect to securities transactions through printed materials or any other means.

It is worth underlying that no application shall be made by a person for an Investment Adviser (Corporate Finance Advisory) Licence unless it is a corporation.

# Licensing Conditions for Investment Advisers

The 'FSC' shall not grant an Investment Adviser Licence, unless it is satisfied that the applicant meets all the requirements of the checklist and in particular the minimum stated unimpaired capital requirement as shown in Table below.

## Minimum stated unimpaired capital requirements for investment advisers

Categories Of Investment Advisers Licences	MUR or an equivalent amount required
Investment Adviser (Unrestricted)	600,000
Investment Adviser (Restricted)	500,000
Investment Adviser (Corporate Finance Advisory)	1,000,000

## Taxation of Investment Advisers

Application for ANY Investment Adviser Licence should be made using a GBL as structure. This entitles the business to take advantage of a preferential fiscal regime under our Tax Legislations. In fact, an Investment Adviser can avail the Partial Exemption Regime whereby 80% of its 'Gross revenue' is exempted from taxation and the balance is included to its 'Taxable Income' and is subject to taxation at 15%. The effective tax rate is thus reduced to a meagre 3%.

## How can HLB Mauritius (Global business) help you go forward?

HLB Mauritius (Global Business) is led by Appavoo International Ltd ("AIL"), a licensed Management Company, which provides the following services with respect to the activities of Investment Advisers:

- Advice on the most appropriate structure and applicable licence to suit your needs.
- Drafting of Investment Adviser Constitutive documents.
- Licence application and renewal with the FSC.
- Provision of registered office address and optionally administration office facilities.
- Provision of professional directors and qualified secretary resident in Mauritius.
- Introduction to banks of your choice and handling of opening of bank account/s.
- Preparation of quarterly accounts and filing with the authorities.
- Preparation and filing of tax returns.
- Advisory and legal services on an on-going basis.



### CONTACT OUR EXPERTS

Appavoo International Ltd  
is a Management Company Licensed  
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