

RIKVIN **CONNECT**



Towards Greater Transparency

RIKVIN PTE LTD

20 Cecil Street, #14-01 Equity Plaza
Singapore 049705
(Next to Republic Plaza and Raffles Place MRT)

Phone: (+65) 6320 1888
Fax: (+65) 6438 2436

Email: info@rikvin.com
Website: www.rikvin.com

FOREWORD: Towards Greater Transparency

In recent weeks, the call for greater transparency has become more salient.

In a month or so, Singapore's financial institutions will have to sound off high-risk accounts that they suspect to be willfully evading taxes. Local authorities have pledged greater cooperation with jurisdictions such as Australia, US and UK which investigating tax offences.

In addition, Singapore has also committed to promote greater exchange of information between jurisdictions that are investigating tax crimes. To that end, new updates in the Income Tax Act will trump Singapore's famed banking secrecy laws.

Will this affect Singapore's attractiveness as a financial hub?

In this issue, we share with you a number of new services that can help you protect your firm's interests. In addition, we have a few more reasons why doing business in Singapore makes sense, even with the seismic changes in Singapore's corporate regulatory terrain.

Yours sincerely,

Christine Lim
General Manager, Rikvin

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RIKVIN SERVICES

- Company Registration
- Singapore Work Visas
- Business Services
- Accounting Services
- Offshore Company Setup

Visit www.rikvin.com
for more information.

Singapore Committed to International Tax Cooperation

“To enhance international tax cooperation, Singapore will have exchange of information (EOI) agreements with its existing tax agreement partners.”

In a bid to combat cross-border tax offences and maintain its name as a reputable financial center, Singapore has updated its Income Tax Act. The changes therein will trump the confidentiality provisions in the Banking Act, which has been highlighted for making Singapore the world's fourth largest offshore financial center.



A major change in the Income Tax Act would see the Inland Revenue Authority of Singapore (IRAS) able to directly obtain bank and trust information from financial institutions without seeking an Order from the High Court.

To enhance international tax cooperation, Singapore will have exchange of information (EOI) agreements with its existing tax agreement partners. Hence, its network of EOI partners will be increased to 83 jurisdictions, up from 41 jurisdictions by January 2014.

To learn more, please visit:

www.rikvin.com/press-releases/singapore-international-tax-cooperation/

Tips On Managing Your Payroll

“Rikvin has published a concise guide that covers salient components of a payroll management process in Singapore.”

The Ministry of Manpower (MOM) has recently rolled out the Workright Campaign to allow employees to act as whistleblowers should their employers not contribute to their Central Provident Fund (CPF) or allowances and overtime payments. To that end, Rikvin has published a concise guide that covers salient components of a payroll management process in Singapore.

These components include statutory contributions such as the CPF contributions, Skills Development Levy, community-related funds and the Foreign Worker Levy. It also includes other important payroll elements such as unpaid leave, overtime pay, public holidays and tax clearance. In addition, the guide details the right way to compute salaries and expounds on other obligations of an employer when it comes to the filing of income tax returns or tax clearances.

“By checking against the list and fully complying with the Employment Act as well as the CPF Act, an enterprise may avoid unwittingly committing mistakes that could hurt its good name. Furthermore, the prompt and correct payment of salaries is the responsibility of all employers,” explained Mr. Satish Bakhda, Head of Operations at Rikvin.

To learn more about payroll management, please visit www.rikvin.com/press-releases/rikvin-singapore-payroll-management/



Need Help with Drafting a Document?

“Clear and effective documents are essential to the success of businesses. They lay the foundation for relationships with employees, vendors, partners and stakeholders.”



Rikvin has launched a Document Drafting and Vetting Service for small to medium-sized businesses. The service aims to provide professionally-drafted documents at affordable prices.

interests of a business,” explained Mr. Satish Bakhda, Head of Operations at Rikvin.

“It is therefore prudent for a firm to ensure that all its essential documents are sound and reviewed by legally-trained consultants. However, many startups or SMEs forgo this process as they view it to be particularly costly, and hence, unnecessary. This has prompted us to offer the service at an affordable price,” added Mr. Bakhda.

Rikvin’s Document Drafting and Vetting Service encompasses three main categories i.e. employment-related, commercial and corporate matters.

“This service goes beyond good copywriting. Clear and effective documents are essential to the success of businesses. They lay the foundation for relationships with employees, vendors, partners and stakeholders. Erroneous terms in a document or agreement could potentially become costly, and worse, undermine the

To learn more about this service, please visit:
www.rikvin.com/press-releases/rikvin-document-drafting-vetting-services-small-businesses/

Guide on Shareholders’ Agreements

Even though many startup owners agree that a shareholders’ agreement is important, many delay putting it in place early in the business process. Two popular reasons cited include lack of time due to getting the business up and running and that all shareholders are getting along really well. To that end, Singapore company registration specialist Rikvin has today published a guide on Shareholders’ Agreements.

The guide covers the purposes of a Shareholders’ Agreement as well as salient aspects that should be considered when drafting the agreement. A shareholders’ agreement governs the relationship between shareholders and determine their rights and obligations. Important aspects covered in a Shareholders’ Agreement include Dispute resolution, Third party offers, Death, Short and Long Term Disabilities, Management of decisions, Puts and calls, Financing, Defaults and Employment.

Analysis by Rikvin shows that the value of a shareholders’ agreement far exceeds the initial cost and as such, is worth the investment. Commenting further, Mr. Satish Bakhda, Head of Operations at Rikvin said, “The busy-ness of running a small business should not distract business owners from seeing the importance of a shareholders’ agreement. Shareholders’ agreements serve a wide range of purposes and can protect a company from unprecedented disputes and losses.”

To learn more about drafting a shareholders’ agreement, please visit:

www.rikvin.com/press-releases/singapore-company-registration-shareholders-agreements/



Rikvin App Updates

We are very happy to announce that version 3.0 of the Rikvin app is now available for download. The new version is now compatible with iOS and Android devices.

In version 3, we have made the Rikvin app available to a wider range of mobile devices, from iPhones and iPads, to Android phones.

What's new?

Version 3 features a more sleek interface and screen layout, as well as two more Rikvin tools i.e. the Global Tax Calculator and Corporate Tax Calculator.

To learn more, please visit:

<http://www.rikvin.com/mobileapp/>

Alternatively, the Rikvin app is now available on iTunes and Google Play. Download it today!



Why Open a Singapore Holding Company?



Rikvin has recently published a guide titled "Why the Singapore Holding Company is the Best Vehicle for Investments. The guide expounds on the benefits that

US companies can reap by using the Singapore holding company as a vehicle for their investments in Asia Pacific and especially for their investments in India.

Commenting on the guide, Mr. Satish Bakhda, Head of Operations at Rikvin said, "In light of this year's economic outlook, many multinational companies will continue to look for ways to minimize outflows by keeping operations lean and reducing tax payments where possible. Choosing a business- and tax-friendly jurisdiction can prove to be rewarding for firms with an international presence."

"A holding company in a trusted jurisdiction such as

Singapore not only lends credibility, but provides many benefits for US companies with investments in Asia, and particularly in India. From Singapore, they are able to centrally manage and have a birds' eye view of their subsidiaries' finances, shares and dividends. In the long run, the group could potentially save significantly in tax payments," he added.

Analysis by Rikvin shows that investing in an Indian company through a Singapore holding company offers various advantages for US firms. The structure helps in pooling offshore investments and also helps in globalization or restructuring of a company at a later stage. In addition, Singapore is regarded as a legitimate holding company jurisdiction. The Inland Revenue Authority (IRAS) of Singapore is vigilant of fraudulent activities and thoroughly reviews the commercial substance of holding companies.

To learn more, please visit

www.rikvin.com/learn/singapore-holding-companies-invest/

Employment Pass Framework to be Tweaked Again!

In a bid to ensure lower wages of overseas professionals, managers and executives (PMEs) do not depress those of young Singaporean professionals joining the workforce, the government will be raising the minimum salary at which they can secure EPs.

According to Minister Tan, the move has in part been triggered by a dismal trend that the entry level salaries of Singaporean professionals have stagnated and not been rising as they should for the last half-decade. Graduate employment surveys by tertiary institutes affirm so, saying that recent cohorts of graduates were starting work at salaries lower than the highs earned by the class of 2007 – after adjusting for inflation.

He said that the government needs to ensure that wages are moving correctly, so that Singaporeans have fair opportunities, as well as good salaries. To that end, salary requirements for EPs

will be increased not only for the lowest Q1 tier, but for the upper P2 and P1 categories as well. Exact details have yet to be announced. Stay tuned for more updates on the Singapore Employment Pass!

For more details about this announcement, please visit www.rikvin.com/blog/singapore-employment-pass-framework-to-be-finetuned-again/



BE Sustainable Group Expands in Singapore

BE Integrative Design, a member of the BE Sustainable Group, has recently set up operations in Singapore and announced its aims in Asia. The consultancy, which is inspired by the work of The Blue Economy proponent Gunter Pauli, aims to create positive environmental, social and economic impact through a new systems design approach to said models.

Commenting further, Mr. Nigel Grier, CEO of BE Integrative Design Pte Ltd said, "Our goal is to transform the design industry. We do so by bringing together entrepreneurs and investors, and enabling them to develop solutions that address our fundamental human needs namely, water, energy, food, waste, shelter, health, education and employment. Our solutions are inspired by nature and can be practically as well as commercially deployed."

BE Integrative Design's areas of expertise include integrative design, design charrettes, Blue Economy consultancy, biomimicry, energy efficiency, total water cycle management, low pressure engineering, sustainable development, whole systems thinking, and ecological engineering.

On the decision to be based in Singapore, Mr. Grier said, "Singapore has been the test bed for the urbanization of Asia while being a model of sustainability. As such, being

positioned in Singapore as a point to service Asia and other emerging regions is strategically a wise move."

To that end, the BE Sustainable Group has engaged the services of Rikvin, a Singapore company registration specialist. Describing the group's incorporation experience, Mr. Grier said, "Rikvin's consultants were very responsive to our queries and guided us appropriately. They were very helpful in assisting the company shareholders to incorporate the company in such a way to be able to attract further equity investment while being eligible for a range of Singapore government grants and incentives."



"Singapore has been the test bed for the urbanization of Asia while being a model of sustainability."

Nigel Grier
CEO, BE Integrative Design Pte Ltd

To learn more about BE Integrative Design, please visit www.rikvin.com/press-releases/be-sustainable-group-singapore/