



sim service brief
Legal Roof Services

A smart way to enter China

by

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confidential

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1. Introduction

Two main considerations lead us to build our "legal roof" service for our customers:

- a) China has never been and still is not easy. To enter this enormous market, to rely only on potential sales forecasts can be risky, and even though the potential is there, this does not mean that a business immediately becomes profitable. Companies should thoroughly evaluate if a big investment in time, money and resources into a fully fetched company setup in China is worth or necessary from the beginning or if a smarter, slimmer market entry should be considered
- b) On the other hand, local market-penetration and -presence are of outmost importance if one wants to become successful in selling products in China. Competition is fierce, tactics and negotiations often need to be done according to local habits. It is hence essential to have one or more persons directly in the market to liaise with (potential) customers, suppliers, logistics etc as well as to learn and know about the competition. Even distributor monitoring can only be done from close by, and preferably also by a person understanding the local habits and customs well.

As a result, we at sim offer a very special, a smart and slim way to successfully enter the Chinese market: we offer you our Legal Roof!

2. How does it work

Together with you, we search and recruit the right person. We can accompany you and effect the entire search process for and on behalf of you before the final interview and the decision whom you wish to hire.

We at sim then legally engage this person, meaning we take him/her under our legal roof. The person however works and appears in the market as your employee.

We take on full liability to employ one person on your behalf in China, so that this person and your company can be present and work in China as if you had your own legal entity setup. Everything is handled in full compliance with the PRC laws & regulations.

We at sim provide the address of your employee in China.

We handle all necessary admin & HR Services for the employee, such as employment license, work permits and residence permits for foreign employees.

We handle payroll, social insurance, reimbursements, individual tax filings and tax returns on a monthly basis.

We can supervise, manage and coach this person, we can report to you and ensure communication between you and your person in China works well.

For business related matters however your company's responsible person deals directly and on a regular basis with the chosen person in China. sim will not interfere in your actual business.

Or, by using our legal roof services, you can have a fully fetched market presence, without any preliminary investment in a setup.

3. Advantages

There are three main advantages in our opinion for you using our LR Services:

- Most importantly, your company does not have to spend any money to setup a company in China before it is clear if the business can work out or not.
- Secondly, you won't lose any time. Once the person is found, he/she can start immediately to work and to represent you in the market.
- And thirdly, your brand will appear in the Chinese market with a local address, meaning that the market acceptance

Further, you will gain many additional advantages:

- You can come, work and see how profitable it gets, in our best cases, the profits of the first two years paid for all legal roof services and the setup of your own entity after the first two years, meaning that the company did not have to invest money from abroad, but money generated in China.
- You and us we will only be bound by a service contract. The Labor contract with the employee is between sim and the employee. Hence no risk as to labor law etc for your company.
- You don't have to deal with all the administrative matters in China with regards to an employment of a person.
- You are fully in compliance with Chinese Laws, rules and regulations.
- You can scale the system and hire more employees under our legal roof.
- Once you decide to setup your own company, we
 - a) can assist you, knowing your company, your work, products and your employee(s) already and
 - b) transfer the person(s) who worked at sim for you directly with no delay into your new own legal entity. There will be no time- and knowledge loss for your business.
- You have full transparency on all fees, salaries, cost and expenses
- You have a Swiss Management on spot at your disposal
- You can be benefit from our long-term experience and our extensive network.

You see, with our legal Roof Service, we offer you full Market access, a fully operational business mode and a smart and slim entry point to do everything you need to succeed without any of the risk you could have by entering on your own.

4. Add-on services

It remains to say that you will of course be able to benefit from an extensive range of service offers from us and our partners (transparently outsourced services).

We can assist you with intelligence, such as

- Market research
- Strategic counsel
- Cross cultural communication

For your goods, we can handle

- Import services
- Warehousing
- Distributor search

To protect your brand and enhance visibility we can offer

- Legal services
- IP Protection
- Marketing & Communications
- Co-and Cross-branding
- Showrooms & Flagship stores
- Exhibitions and Roadshows
- Website and social media presence

5. Referrals

Kindly contact us for referrals and testimonials on our Legal Roof services

6. Contact

Please feel free to get in contact with us if you have any question regarding our Legal Roof or any of our service offer for that matter. We happily remain at your disposal for an initial discussion. You can find us at

our China office

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we look forward to be at your service

your sim team

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