

WORKING FOR INSPIRED SOLUTIONS

GUIDANCE FOR NETWORK PARTNERS

This document covers some of the key areas of working in cooperation with Inspired Solutions LLC. We start with the most daunting aspect to navigate, setting yourself up, and then explain how your business is likely to operate day to day to generate earnings you control.

SECTION 1 - SETTING UP A LIMITED LIABILITY COMPANY (LLC)

UNIVERSAL BENEFITS TO THE LLC LEGAL FORM

A limited liability company is widely chosen as a business structure due to its flexibility and easiness in the registration process. Most importantly, it provides limited liability in front of the law:

- all the business' obligations are settled through the business' capital
- the owners' liability (if the LLC is found in debt or sued) is limited to the capital investment made

Therefore, an LLC presents little risk and many opportunities. Whether you would like to begin a startup in Europe or the U.S., most of the legal requirements are universal. Here we will outline the most significant common steps in opening an LLC and how they specifically apply.

GIVE A NAME TO YOUR LLC

One of the first initiatives you should take towards establishing a limited liability company is finding a name for your business. The name cannot coincide with any other registered company and needs to be certified by the competent authority in each country.

[List of Company Registers Around the World](#)

In Europe, most countries will have some form of central commercial registrar / chamber of commerce that checks the name availability and provides you with a certificate of incorporation or registration.

As opposed to the European countries, the U.S.' regulations concerning naming an LLC differ from one state to another. To find out what guidelines you must follow when choosing the company name, you will need to review the website of the agency responsible for business filings in the specific state where you wish to operate the LLC. In most states, that will be the Secretary of State.

If you plan to work exclusively for Inspired Solutions, we see value in using our name to expand the franchise, so for example you could use “Inspired Solutions ([Insert country name](#)) LLC”. Please discuss this directly with us before going ahead.

OPEN A BUSINESS BANK ACCOUNT

If the business startup is conducted in Europe, the second recommended step is setting up a bank account where you will deposit the required minimum capital investment of that country. The investment requirements are different in each European country, and vary widely. For example in Switzerland it is EUR 20,000, in Spain EUR 3,000 and in Romania EUR 40.

Although starting an LLC business in the United States does not require you to possess a minimum investment sum, you will have to pay a small fee for the application set forth to begin the registration process. This fee depends on the state where the LLC will be located. It is also important to know that in the U.S. you are only allowed to create a bank account for the company after the establishment of its LLC status. You will need to provide the constituent acts and EIN (Employer Identification Number) to be approved for a Business Bank account.

CONSTITUENT DOCUMENTS, ARTICLES OR STATUTES

This step is crucial for the well-functioning and recognition of a limited liability company. The constituent documents include the business’ essential information and its functioning rules. They are known by many different names such as Articles of Association, Statuten, Act of Constitution, and Articles of Organisation. The way in which these documents are certified varies greatly between Europe and the United States.

EUROPE

What does it mean to draft constituent documents? Through the essential information we understand: the company’s name, its specific activity, the registered office (headquarter), the names and identification data of each shareholder or quotaholder. The functioning rules refer to the administrative structuring of the business – the roles and responsibilities of each associate (or of the sole owner), as well as the share percentage. However each requirement will be slightly different.

Templates may be available, such as here - [Model articles for private companies limited by shares](#)

UNITED STATES

After finding an available name for your business, you will need to prepare a document called Articles of Organization. This document does not have to be certified by a public notary or brought with further documentation to a public registrar. Instead, it just needs to be filed in accordance with each state’s business filing conditions.

Once the Articles of Organization is submitted, it is recommended that the company associates compose an Operating Agreement. An Operating Agreement is a legal document that outlines the ownership and operation of an LLC. An interesting comparison is that most American states do not legally demand this document, whereas in Europe its particularities must be contained within the constituent documents.

REGISTER FOR TAXES

After the legal certification of your LLC, it's time to register the company for taxes. This may occur automatically with the filing of the constituent acts at the Commerce Registrar, but not always. You may have to register with the competent national tax authority and receive a tax identification number. The form may be available on the agency website and you may need to present it at a local tax office. A value added tax (VAT) number should also be obtained.

In the United States, a tax identification number is also required to file taxes for your business; this is called an Employer Identification Number (EIN). However, an EIN must be obtained only if the LLC has more than one member or has employees. In the case that you are the sole associate of your company, the business will be taxed as a sole proprietorship and therefore does not demand an EIN.

RUNNING THE COMPANY – YOUR RESPONSIBILITIES

As a business owner, you must keep:

- records about the company itself
- financial and accounting records

You can hire a professional (for example, an accountant) to help with your tax, or at least have your work checked if you are doing it for the first time.

The governing tax office may check your records with a compliance check to make sure you're paying the right amount of tax.

RECORDS ABOUT THE COMPANY

You must keep details of:

- directors, shareholders and company secretaries
- the results of any shareholder votes and resolutions
- promises for the company to repay loans at a specific date in the future ('debentures') and who they must be paid back to
- promises the company makes for payments if something goes wrong and it's the company's fault ('indemnities')
- transactions when someone buys shares in the company
- loans or mortgages secured against the company's assets

ACCOUNTING RECORDS

You must keep accounting records that include:

- all money received and spent by the company, including any grants and payments from a government body
- details of assets owned by the company
- debts the company owes or is owed
- stock the company owns at the end of the financial year
- the stocktakings you used to work out the stock figure
- all services bought and sold
- who you bought and sold them to and from

You must also keep any other financial records, information and calculations you need to prepare and file your annual accounts and company tax return. This includes records of:

- all money spent by the company, for example receipts, petty cash books, orders and delivery notes
- all money received by the company, for example invoices and contracts
- any other relevant documents, for example bank statements and correspondence

HOW LONG TO KEEP RECORDS?

Outside the tax arena, there's remarkably little guidance about how long you should keep business paperwork. Most lawyers, accountants and bookkeeping services recommend keeping original documents for at least seven years. As a rule of thumb, seven years is sufficient time for defending tax audits, lawsuits and potential claims.

Check your local tax agency for the national standard. For example in the UK, you must keep records for six years from the end of the last company financial year they relate to, or longer if:

- they show a transaction that covers more than one of the company's accounting periods
- the company has bought something that it expects to last more than six years, like equipment or machinery

NON-DOMICILED RESIDENT REQUIREMENTS

Reasons for setting up in a country other than your own are often down to advantageous tax rules or possibly simplifying operations in the country where most activity will take place. Many governments are pleased to attract foreign investors to their country and will try hard to make the process straightforward, while offering generous tax breaks to start ups. There is much material available online about the advantages of incorporation in different countries, so it pays to do some research.

Generally speaking, it is easier to set up a company if you are a resident of the country in which you intend to incorporate. However, it is also possible to set up a company if you are

not resident, but sometimes local conditions will apply. It may also affect your residency status in the country where you live, so that needs to be checked. EU citizens may find the process of acquiring the correct permits to operate quite fast in other EU countries. The United States has few restrictions on incorporating as a foreigner. It may be worth getting legal support to smooth the process if applying as a non-resident looks onerous.

INSURANCE

As a business owner and supplier of consulting services to industries, it is important that you have the right insurances. This may have been done for you by an HR department in the past, and the requirements are different depending on whether certain social security requirements are funded through general taxation or specific insurance contributions. For example, retirement pensions, health insurance, and accident insurance / workmens compensation differ from country to country. Most residents will be familiar with their local needs, but non-resident owners will need to research what is required.

What is mandatory for working in any advisory industry is a professional indemnity (PI) insurance (also known as errors and omissions (E&O) insurance / Berufshaftpflichtversicherung / Assurance de la responsabilité civile professionnelle). This protects you from third party financial loss arising from actions taken as a result of negligent work. It is extremely important that you are also covered for legal defence costs, as this can cause immediate liquidity problems for a startup LLC without a significant cash reserve. In addition, the policy may come with general liability (GL) cover (bodily injury and property damage). If not, a GL cover should also be bought, with a limit of EUR 5 million and it is generally inexpensive.

We recommend a policy limit for financial loss of EUR/ CHF 3 million (if available, otherwise the highest you can obtain) to cover any unforeseen circumstances. We also recommend requesting various deductibles / retentions quotations in keeping with your personal risk appetite.

Depending on where you live and the reliability of transport links, a travel insurance policy may be advisable.

SECTION 2 - OPERATING YOUR COMPANY

The follow are frequently asked questions to assist with a smooth start to the business cooperation.

THE WAY WE WORK

In 2009, Inspired Solutions LLC won the mandate to provide contract risk engineering capacity to support Zurich Risk Engineering (ZRE) in Europe. Due to the quality and efficiency of the collaboration, this has expanded to MENA and APAC over the years. The development has allowed us to streamline the overflow of work and to work efficiently on behalf of Zurich as their supplier of choice. Furthermore, Inspired Solutions was requested to

assure the quality aspects of the work; to align specific skills and competences for the work outsourced and to manage the workforce and contractual agreements with associates including retirees who have retained valuable skills.

Any overflow of work or preference to use us is handed over to Inspired Solutions when ZRE has insufficient capacity or capabilities to complete the assignment within the stated due dates. It is then our responsibility to find the right resources and skills in the team of Associates. We presently manage a team of Associates spread across Europe, ME, APAC and the USA. The Associates are free to accept or decline assignments offered based on personal preferences, time constraints or other criteria. Our experience nevertheless tells us that all of them are eager to step in and take up the assignment. We manage a substantial number of assignments, including desktop requests, project reviews, Technical Center team support and so on.

PROCESS FOR QUALIFICATION

To be able to work for Inspired Solutions we apply a “Qualified-to-Perform” or Q2P certification process. This implies that minimum of one initial mentoring assignment in the presence of Rob Hoobroeckx is required to assess the overall performance. An overall rating of ‘Good’ is required to be allowed to work in the network for customers of Inspired Solutions. Periodical re-audits can be scheduled to assure consistent quality. When required, additional training can be offered.

To get an idea about your current experience, qualifications, background, education, additional training, specialization or connections to associations we would like to receive a copy of your resume.

INVOICING YOUR WORK TO INSPIRED SOLUTIONS

Following an assessment, completion and distribution of a report, the associates time and expenses are to be invoiced to Inspired Solutions.

The invoice should include the following information:

- Name of the company with full address details, VAT number and company registration number.
- Company details of Inspired Solutions LLC including VAT number.
- Bank account details including name, address, IBAN, BIC or Swift code.
- Unique invoice number
- Date of the invoice
- Payment conditions (30 days after the invoice date)
- Reference to the assignment (unique assignment number and customer name)
- Currency applied
- Hours
- Hourly rate applied
- Total amount for the hours
- Expenses
- VAT (amount or ‘VAT shifted forward’ or reversed VAT)

- Total invoice amount
- Signature of the company administrator when required by local law

Please check local requirements whether an invoice should be issued in the local language. In this case, both the local language as well English should be included.

In case of multiple activities for the same 'end customer', a combined invoice can be issued as long as the time and expenses are split over the individual assignments.

The invoice should be accompanied with scanned copies of the expense receipts (in PDF) for review and will be kept on file for potential future audits by our customers. Please assure that the scanned expense file does not exceed 2MB file size.

Invoices should be addressed to Inspired Solutions by email to: finance@inspiredsolutions.ch

WHAT ELSE DO I NEED?

- Your own mobile phone.
- Your own laptop.
- An iPad (preferred).
- Your own camera, test equipment or any other supports you would need to work as a freelance risk engineer.
- Transportation means, even though this is not a must depending on how you would normally travel.

WHAT INSPIRED SOLUTIONS GIVES BACK IN RETURN?

- Interesting work opportunities within an international environment.
- Hassle free work offered without any acquisition to be done by the Associate - requests will be done through Inspired Solutions.
- A market aligned hourly rate, excluding VAT. This accounts for all time spent on an assignment (preparation, travel, on-site, reporting). Normally the hourly rates are set in Euros or US Dollars and the exchange rate risk is yours when applicable.
- Possibilities for additional training or developments.
- All Associates have full access to standards, procedures, risk grading standards, etc. as well as training options.
- Potential to work in areas never worked in before (countries, industries, etc.).
- Business cards from the insurer when required. This goes along with an email address.
- Inspired Solutions email address and business cards when applicable.

WHAT BENEFITS DO I GET FROM WORKING EXCLUSIVELY FOR INSPIRED SOLUTIONS?

By working exclusively with us, you are free to concentrate on revenue generating project work and assignments, rather than the ultimately time-consuming activities of building your own business, which entails administration, marketing activities, product and services design, website development and client acquisition. This allows you to work to your personal preferences or have a stable and predictable cash flow from the beginning, which may be welcome to amortise some of the time and costs of setting up your company.

In addition, we can provide templates for running your business to take the hassle out of designing your own. This would include example invoicing, spreadsheets to track and report business and bookkeeping and accounting templates.

You would also have access to our travel agent to book flights, rental cars and hotels when needed with the costs directly allocated to Inspired Solutions. No pre-financing is required.

Potential leads that you might have from previous employers or relations that you would like to explore can be supported through Inspired Solutions. The strengths of the network and the infrastructure and management of Inspired Solutions can develop the potential customer on your behalf with an added benefit in the form of a commission when successful.

When working exclusively for Inspired Solutions you will have highest priority in the allocation of assignments, and you will receive an assured minimum number of billable hours on an annual basis to provide you with a predictable starting income for your business.

WHAT HELP CAN I EXPECT FROM INSPIRED SOLUTIONS IN SETTING UP?

Having helped many risk engineers set up their companies in different countries, we are always pleased to pass on experience and advice to make the process as painless as possible. In addition to this document, we can put you in touch with other people in our network who may have local expertise. We will provide you with an Inspired Solutions email address (accessible via webmail or personal device) for those who do not want to set up their own company web domain or email DNS. We will provide Inspired Solutions business cards on request.

DO I NEED MY OWN WEBSITE?

A website is a great way to announce to the world you are open for business and to ‘hang out your shingle’ i.e. advertise your services. If you plan to do work exclusively for us, marketing your services is less relevant as we will do this on your behalf. If you plan to do other advisory or consulting work, then it pays to have a website that clients can visit to view your services, your expertise and your bio. Inspired Solutions can help with the process of setting up and populating a modern, professional looking website, and advising on search engine optimisation (SEO) to get you higher up the search engine ranking list.

CHECKLIST NETWORK PARTNERS

To support you getting your business aligned the following checklist could help to assure all requirements are fulfilled.

#	Item	Checked	Action
1	General working agreement		
2	Confidentiality Agreement		
3	<p>Professional Indemnity Insurance (PI)</p> <ul style="list-style-type: none"> A copy of the policy should be delivered to Inspired Solutions LLC with the signed agreement. The PI insurance should preferably provide a coverage of CHF 3 million (or equivalent). <p>General Liability Insurance (GL)</p> <ul style="list-style-type: none"> A copy of the policy should be delivered to Inspired Solutions LLC with the signed agreement. The GL insurance should preferably provide a coverage of CHF 5 million (or equivalent). 		
4	<p>Hourly rate</p> <p>An hourly rate is agreed. The daily rate is based on an 8 to 10 hours working day.</p>		
5	<p>Expense reimbursement</p> <p>Cost for travelling, hotels, food and other necessities are reimbursed based on actual costs. Copies of receipts should be attached to the invoice.</p>		
6	<p>Payment terms</p> <p>Invoices are paid within 30 days after the invoice has been received and the assignment is set to status completed.</p>		
7	<p>Email address</p> <p>xx.xxx@inspiredsolutions.ch</p> <p>For business performed on behalf of Inspired Solutions LLC, customer contact is arranged through the email address provided by Inspired Solutions LLC.</p> <p>A disclaimer is applicable for all outgoing emails. A standard disclaimer</p>		

#	Item	Checked	Action
	is provided by Inspired Solutions LLC.		
8	Scope of the working environment: <ul style="list-style-type: none"> • International insurance market 		
9	Hardware is to be bought on own behalf of the associates. Internet connection is needed.		
10	Banking details <ul style="list-style-type: none"> • Bank name, address, etc. • IBAN • BIC • Swiftcode 		
11	Address details <ul style="list-style-type: none"> • Company name • Address • Postal code and city • Country • Telephone number(s) 		
12	Chamber of Commerce registration A copy of the registration needs to be provided to Inspired Solutions LLC. Preferred company structure is a GmbH / LLC or other form where the liability of the company is limited.		
13	VAT registration and number		
14	Resumé		

SHORTLIST OF BENEFITS DEPENDING ON THE LEVEL OF ENGAGEMENT

Working as an independent Associate for Inspired Solutions you will benefit from:

Interesting work opportunities in an international environment.

Hassle-free work offered without any acquisition required by the Associate - requests will be handled through Inspired Solutions.

A market aligned hourly rate, excluding VAT. This accounts for all time spend on an assignment (preparation, travel, on-site, reporting). Normally the hourly rates are set in Euros or US Dollars and the exchange rate risk is yours when applicable.

Possibilities for additional training or developments.

All Associates have full access to standards, procedures, risk grading standards, etc. as well as training options.

Potential to work in areas never worked in before (countries, industries, etc.).

Business cards from the insurer when required. This goes along with an email address.

Inspired Solutions email address and business cards when applicable.

No fees upfront and no hidden costs. Straightforward reimbursement for the hours worked.

Working exclusively for Inspired Solutions you will additionally benefit from:

Guaranteed annual workload of assignments

Access to the travel agent of Inspired Solutions and therefore no pre-financing of travel expenses

Full IT set up support

Full support on how to run your business including required templates for financial reporting.

Full marketing management support to develop potential leads with the potential to generate additional lead fees and commissions.