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About Fairbairn Trust Limited

Fairbairn Trust Limited is a wholly owned subsidiary of Fairbairn Private Bank and provides bespoke solutions to complex international tax scenarios for both high net worth individuals and corporate entities.

The gateway to our trust and corporate services is through our office in Jersey, which is viewed as a leading international finance centre with worldwide recognition as a respected and highly regulated jurisdiction.

[Fairbairn Private Bank](#)

Fairbairn Private Bank operates a successful and comprehensive private and personal banking operation on behalf of a wide range of clients.

Fairbairn Private Bank is unashamedly driven by clients' needs and has won numerous awards and international recognition for not only products and services, but also for the quality of client service, innovation and employee commitment. In addition, the bank was the first British offshore island based bank to hold an independent "A" credit rating (Moody's).

[Part of a bigger picture](#)

The 'Fairbairn' name originates from John Fairbairn, the founder of the financial services giant Old Mutual, Fairbairn Private Bank's ultimate parent company. Being part of the Old Mutual group of companies means that you can benefit from the financial strength and wide array of products and services offered throughout the Group, which includes:

- / Old Mutual, a FTSE 100 listed company, formed as a Mutual in 1845
- / Nedbank, one of the largest and highest rated banks in South Africa
- / A wide range of other companies which specialise in alternative investment, fund management and administration.



Trusts

What is a trust?

A trust is a legal arrangement, almost always in writing (the Trust Deed) whereby the original owner of the assets (the Settlor), transfers them to another (the Trustee) who will hold the assets for the benefit of others (the Beneficiaries). The Settlor can also be a Beneficiary of the trust.

Forming a Jersey trust is a highly effective way of protecting wealth and Fairbairn Trust Limited, generally in conjunction with clients' professional advisers, can arrange for trusts to suit individual requirements.

Why establish a trust?

In any of the following situations, the creation of an offshore trust is capable of delivering significant benefits both to the Settlor and Beneficiaries:

- / To prevent expensive and complicated probate procedures;
- / Tax planning, especially in the context of migrating from one country to another;
- / The need for confidentiality;
- / Succession planning, especially in the area of avoidance of forced heirship;
- / Providing a safeguard against possible political disturbance in a home country;
- / Protection from adverse consequences of the imposition of, or changes in, exchange control regulations in a home country.



Selecting the right trust for you

Discretionary Trusts

The most common type of offshore settlement is the discretionary trust and under such an agreement it is possible for the Settlor to retain some influence over the Trustees' actions by issuing a letter of wishes to the Trustees for their guidance. Such a letter is not legally binding but affords flexibility as it may be altered from time to time by the Settlor.

Discretionary trusts are popular in the offshore environment because they can provide maximum versatility at the same time as offering protection from hostile government expropriation or taxation. By creating a trust the Settlor ceases to own assets which consequently do not form part of his or her estate, as on his or her death they continue to be held by the Trustee.

Interest in Possession Trusts

Under this type of arrangement the Trustee may have no discretion as to the application of income arising from the trust fund other than to pay it to certain specified Beneficiaries or accumulate it for their future benefit. Typically, upon the death of the person entitled to receive the trust income, the capital will pass to certain other Beneficiaries on fixed terms or, possibly, at the discretion of the Trustees.

Accumulation and Maintenance Trusts

This is designed principally for the benefit of minors. It has a particular application in the context of UK Inheritance Tax planning. It is usual for income to be accumulated by the Trustees for a fixed period, normally expiring on a Beneficiary's 25th birthday. During this time payments may be made for education and maintenance purposes.

At the end of the accumulation period income may be made available on fixed terms to the relevant Beneficiaries with the capital being transferred at a later date, often at the discretion of the Trustees.

Employee Benefit Trusts

Trusts administered in Jersey are popular for the purpose of holding shares to provide the means whereby employees may ultimately acquire shares in their employing companies in a manner mutually advantageous to the company and its employees. Each of these trusts will have its own characteristics and our team in Jersey is well versed in providing offshore trusteeship and administration to client companies - often in liaison with other professional advisers.



Offshore companies

a brief synopsis

An offshore company is one incorporated in a low or zero tax jurisdiction and used as a vehicle for holding or administering assets to combine exemption from local taxes with maximum potential to minimise taxation on assets and activities in other parts of the world.

Either on their own, or to complement the benefits from offshore trusteeship, offshore companies provide benefits in the areas of:

/ **Financial Planning**

By transferring certain types of asset into the ownership of an offshore company it may be possible to avoid future payment of certain stamp duties.

/ **Succession Planning**

In certain circumstances shares in a private company can be transferred more easily than real property. Therefore, holding such shares via a company can alter the nature of an asset to the advantage of both donor and donee. This has equal importance in the area of tax planning.

/ **Tax Planning**

Certain categories of assets can have their exposure to domestic capital taxation altered or removed by being registered in the name of a company which is itself incorporated in a low tax jurisdiction.

/ **Confidentiality**

Registration of shares in nominee name achieves additional insulation of the assets from the proprietor of the company whether this be an individual or the Trustees of an offshore settlement.



Practical applications

of offshore trustee and corporate services

Asset Preservation

Significant financial protection can be achieved by the creation of a trust. When an individual transfers assets into a trust he or she ceases to be the legal owner of those assets although they can continue to be a Beneficiary of the trust.

One advantage of the segregation of ownership arises in the case of an individual who wishes to protect family wealth by locating assets in a stable offshore jurisdiction such as Jersey. Such assets are removed from the scope of hostile laws, the risk of expropriation, higher levels of taxation and/or the introduction of exchange controls which might exist in other jurisdictions, and can be made readily available to provide for the needs of family members who are Beneficiaries of the trust.

Emigration

Individuals migrating from one country to another can establish a trust in Jersey and divest themselves of their assets to the Trustee before they arrive in the new country. In this way, protection from rigid exchange control or high taxation can be achieved.

The trust fund in Jersey may accumulate on a tax free basis and the assets may always be available should a Beneficiary wish to make use of them in a way that he or she would not otherwise be able to do.

Long Term Planning and Avoidance of Probate

Trust arrangements are frequently set up with long term objectives in mind. A Jersey trust can have a duration of up to one hundred years.

On death, assets in an individual's name can be dealt with only when Probate or similar formalities have been completed. This can often cause delays, expense and publicity - all of which could have been avoided if the individual concerned had already settled those assets in a trust.



Once the assets are held in a trust they belong to the Trustee and not to the individual. The Trustee can continue to manage those assets after the death of the Settlor without interruption and if necessary make distributions of income or capital.

In certain countries, there are laws, commonly known as forced heirship, which require assets to be split in set proportions amongst family members on an individual's death. Such provisions can be avoided by the prior creation of a trust which will have removed the assets from the immediate ownership of the deceased.

Minimisation of Taxation

Trusts administered in Jersey are exempt from Jersey taxation provided there are no Jersey resident Beneficiaries and the Trustees have no Jersey source income, other than bank interest. A prospective Settlor's domestic tax position is of great importance and should be examined in consultation with an independent professional tax adviser.

Continuity

Invariably, Trustee appointments are undertaken in the name of Fairbairn Trust Limited which has the benefit of avoiding the difficulties encountered by the death or retirement of an individual Trustee. In cases where the appointment of co-trustees is essential, Fairbairn Fiduciary Services Limited, another corporate Trustee within the Fairbairn Private Bank Group, can accept appointment.

Offshore Holding Companies

Registration of investment portfolios or real estate in a holding company exempt from local taxation can afford significant advantages in the avoidance of certain other types of taxation and death duties. The transfer of such assets to a holding company in exchange for share capital may enhance these benefits if the company itself is owned by the Trustees of a trust administered in an offshore jurisdiction such as Jersey.

Professional Services

Individuals whose services command substantial fees, for example entertainers, sports stars, authors and consultants, may be able to secure long term benefits by incorporating a company in a low tax area and contracting out their personal services to that company. The company will then negotiate the services of the individual and the income arising thereafter will flow to the company. The level of income and the timing of payments by the company to its promoter can be determined to maximum advantage and in this way it may be possible to reduce the tax burden on the part of the individual and at the same time facilitate the tax free accumulation of funds.

Patents and Royalties

Owners of intellectual property rights may find it advantageous to assign them to an offshore company at an early stage in their exploitation. This facilitates the distribution of income to the owner in a manner best suited to that individual's personal tax situation.



How to contact Fairbairn Trust Limited

28 New Street, St Helier, JERSEY, JE2 3TE

Telephone (International) +44 (0) 1534 823202

Facsimile (International) +44 (0) 1534 888836

E-mail trust@fairbairnpb.com

www.fairbairnpb.com

Fairbairn Private Bank Limited

28 New Street, St Helier, JERSEY, JE2 3TE

Telephone (International) +44 (0) 1534 887889 (8 a.m. – 8 p.m.)

Facsimile (International) +44 (0) 1534 509725

E-mail jer@fairbairnpb.com

Fairbairn Private Bank (IOM) Limited

St Mary's Court, 20 Hill Street, Douglas, ISLE OF MAN, IM1 1EU

Telephone (International) +44 (0) 1624 645000 (8 a.m. – 8 p.m.)

(UK Freephone) 0800 289936

Facsimile (International) +44 (0) 1624 627218

E-mail iom@fairbairnpb.com

Fairbairn Private Bank South African Representative Office

3rd Floor, 1 Newtown Avenue, Killarney, Johannesburg 2193, SOUTH AFRICA.

Telephone (International) +27 (0) 11 480 1699

(SA Toll Free) 0860 507090

Facsimile (International) +27 (0) 11 480 3784

The information in this brochure is for general guidance only and is not intended to be comprehensive. Prospective clients are recommended to seek independent professional advice. Neither Fairbairn Private Bank nor any of its subsidiaries accept any responsibility for any errors or omissions in this publication.



Fairbairn Trust Limited

- 1** [Formation or acceptance of existing trusteeship](#)
A minimum fee of £1,250, based on time spent, for the taking of instructions, arranging the engrossment, execution and establishment of a standard Jersey Law Trust, including the acceptance of the initial trust assets (excluding legal fees and any other third party expenses).
- 2** [Annual Trustee fees](#)
A fixed fee dependent on the nature and value of the underlying assets, and level of administration involved, subject to a minimum of £2,000.

This fee includes the provision of Trustees, the administration of the trust and its assets, the provision of regular financial reporting, culminating in the preparation of annual accounts. This fee is subject to annual adjustment in line with the cost of living in Jersey upon the fee anniversary date.

In the event that the time we are required to spend on the administration of the trust exceeds our annual fee, or if we are involved in work which we could not have foreseen at the outset, we reserve the right to charge an additional fee, to cover our work in this regard.
- 3** [Transaction fees \(at discretion\)](#)
0.25% according to the value of any transaction which does not fall inside the normal range of our services, or a fee based on a time spent basis.
- 4** [Termination](#)
A minimum of £1,500, based on time spent, for marshalling the trust assets and attending to the documentary requirements to terminate or transfer a trust, or a fee based on a time spent basis.



Fairbairn Corporate Services Limited

1 **Formation or acceptance fee**
A minimum fee of £1,250, based on time spent, for the engagement as administrators of a new or existing company. This fee would include initial correspondence with the client and/or the client's professional advisers, correspondence with the legal or other professional agents involved in the incorporation or acquisition of the company, but excludes all third party expenses such as stamp duty, legal and judicial fees, agents charges, local incorporation costs, etc.

2 **Annual administration fees**
A fixed fee dependent on the nature of the underlying assets and level of administration involved, subject to a minimum of £2,000 per annum. This fee includes the provision of the company's registered office/administrative address, nominee shareholders, directors, company secretary and all statutory administrative matters in relation thereto - not included are all third party costs, including but not limited to local taxation, local agents' charges and statutory filing fees.

The annual administration fee is subject to annual adjustment in line with the cost of living in Jersey upon the fee anniversary date. In the event that the time we are required to spend on the administration of the company exceeds our annual fee, or if we are involved in work which we could not have foreseen at the outset, we reserve the right to charge an additional fee to cover our work in this regard.

3 **Transaction fees (at discretion)**
0.25% according to the value of any transaction which does not fall inside the normal range of our services, or a fee based on a time spent basis.

4 **Termination**
A minimum of £1,500, based on time spent, for marshalling the assets and attending to the documentary requirements to dissolve or transfer a company, or a fee based on a time spent basis.



Trust Creation and Administration Questionnaire



Please complete in BLOCK CAPITALS and black ink. If you need help to complete this form, please call us on +44 (0) 1534 823202

This questionnaire sets out the information required for a trust to be formed and in order for us to administer the trust in Jersey.

1. About the Settlor

Settlor's Title (e.g. Mr/Mrs/Miss/Ms/other)

Forename(s)

Surname

Previous name(s)

Nationality

Date of Birth

Profession/nature of business

Passport number

Country of domicile

Country of residence
for tax purposes

Marital Status (please tick)

Full name of spouse (if applicable)

Date of Birth

Number of dependants

Residential Address

Address for Correspondence
(if different from above)

Telephone (Home)

Fax (Home)

Mobile number

Home email address

Office email address

2. Beneficiaries of the trust

Full name

Address

Relationship

Full name

Address

Relationship

Full name

Address

Relationship

Full name

Address

Relationship

3. Professional adviser (if applicable)

Full name (1)

Address

Telephone number

Full name (2)

Address

Telephone number

Trust Creation and Administration Questionnaire

4. About the Trust

Name of settlement/declaration of trust	
Reason for creating the trust	
Initial trust fund amount (£/US\$/€)	
(This can be nominal e.g. £10)	
Assets to be transferred (attach valuations if necessary)	
Source of assets	
Source of wealth	
Financial year end	
Reporting currency	

5. Settlor's Signature

To: Fairbairn Trust Limited

Please proceed with the creation of a trust in accordance with instructions and/or advice from me and/or my professional advisers with whom you are free to liaise. I accept full responsibility for seeking and obtaining legal and taxation advice particular to my own circumstances. I acknowledge that neither your company nor its officers and employees are specialist advisers in law or taxation. I confirm that neither I, nor any of the trusts' intended beneficiaries, are at present resident in the Island of Jersey and that assets which are to be introduced to the company have no connection whatsoever with criminal activity.

Signature of Settlor _____

Date _____

6. Compliance requirements

Jersey is a highly regulated jurisdiction which requires a certain degree of mandatory anti-money laundering regulations to be complied with. To ensure that Fairbairn Trust Limited complies with our local regulations, we require the following to be provided:

1. For the settlor and all beneficiaries - a **copy** of their passport or a **copy** of any other government issued ID document bearing their photograph and signature **certified** by an independent solicitor, accountant, notary public, British Embassy official or an officer of an authorised credit or financial institution.
2. Two **original** utilities bills or bank statements showing name and residential address (a **certified copy** is acceptable if completed as stated below).
3. Documentary evidence regarding the source and origin of funds.

To certify a document:

The certifier must state on the copy documents the following:
I certify that this is a true copy of the original document.

The certifier should sign and date the copy documents, print his/her name clearly in capitals underneath and indicate his/her position or capacity on it, and affix a stamp of the institution to authenticate the certification.

Offshore Company Creation and Administration Questionnaire

Please complete in BLOCK CAPITALS and black ink. If you need help to complete this form, please call us on +44 (0) 1534 823202

This questionnaire sets out the information required for a company to be formed and in order for us to administer the company in Jersey.

1. About the Company

Name of proposed company	
alternative 1	
alternative 2	
Jurisdiction of company e.g. Jersey, BVI, Guernsey	
Intended activities of the company: (If activities are to include investment holding, please provide details of type of investment)	
Ownership of other Jersey companies: (Please provide details of any other beneficial ownership of Jersey companies)	
Name of any additional owners to be introduced within six months of incorporation	
Financial year end	
Reporting currency (£/US\$/€)	
Assets to be introduced (Attach valuations if necessary)	
Source of assets	
Source of wealth	

2. Beneficial owner(s)

Full name (1)	
Previous name(s)	
Nationality	
Profession/nature of business	
Passport number	
Country of domicile	
Country of residence for tax purposes	
Address	
Telephone (Home)	
Fax (Home)	
Mobile number	
Home email address	
Office email address	
Full name (2)	
Previous name(s)	
Nationality	
Profession/nature of business	
Passport number	
Country of domicile	
Country of residence for tax purposes	
Address	
Telephone (Home)	
Fax (Home)	
Mobile number	
Home email address	
Office email address	

Offshore Company Creation and Administration Questionnaire

Please complete in BLOCK CAPITALS and black ink. If you need help to complete this form, please call us on +44 (0) 1534 823202

3. Professional adviser (if applicable)

Full name (1)	
Address	
Telephone number	
Full name (2)	
Address	
Telephone number	

4. Signature(s) of beneficial owner(s)

To: Fairbairn Corporate Services Limited

Please proceed with the creation of a company in accordance with instructions and/or advice from me and/or my professional advisers with whom you are free to liaise. I accept full responsibility for seeking and obtaining legal and taxation advice particular to my own circumstances. I acknowledge that neither your company nor its officers and employees are specialist advisers in law or taxation. I confirm that neither I, nor any of the company's intended beneficial owners, are at present resident in the Island of Jersey and that assets which are to be introduced to the company have no connection whatsoever with criminal activity.

Signature of beneficial owner(1)		Date	
Signature of beneficial owner(2)		Date	

5. Compliance requirements

Jersey is a highly regulated jurisdiction which requires a certain degree of mandatory anti-money laundering regulations to be complied with. To ensure that Fairbairn Corporate Services Limited complies with our local regulations, we require the following to be provided:

1. A **copy** of the beneficial owner's passport or a **copy** of any other government issued ID document bearing their photograph and signature **certified** by an independent solicitor, accountant, notary public, British Embassy official or an officer of an authorised credit or financial institution.
2. Two **original** utilities bills or bank statements showing name and residential address (a **certified copy** is acceptable if completed as stated below).
3. Documentary evidence regarding the source and origin of funds.

To certify a document:

The certifier must state on the copy documents the following:
I certify that this is a true copy of the original document.

The certifier should sign and date the copy documents, print his/her name clearly in capitals underneath and indicate his/her position or capacity on it, and affix a stamp of the institution to authenticate the certification.