

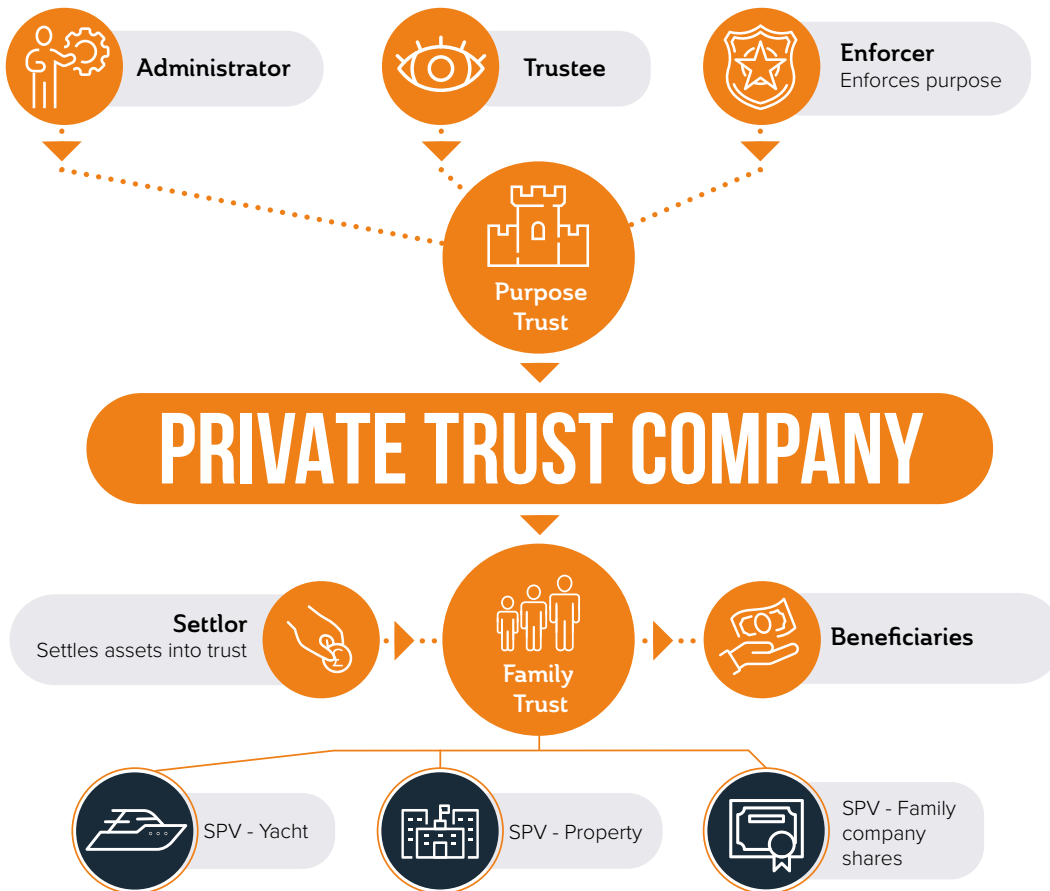
PRIVATE WEALTH STRUCTURING

Private Trust Company - Factsheet

Growing popularity of the Private Trust Company

Private Trust Companies (PTCs) have been used in international structured finance transactions for decades, but there has been a notable trend in their increasing popularity in private wealth structuring.

A PTC is a corporate structure which acts specifically as a trustee for one or more related trusts. A trust is established when the settlor transfers ownership of certain assets to the trustee who controls and manages the trust assets on behalf of the beneficiaries of the trust. Some settlors may be unfamiliar or uncomfortable with handing over control of their assets to a professional trustee and may prefer to establish their own trustee in the form of a PTC where a greater degree of control may be provided by enabling the settlor to control the composition of the board of the PTC.



What are the ownership structures for a PTC?

The shares in the PTC may be held by the settlor or members of their family directly. This may give rise to issues such as probate requirements in the event of the death of a shareholder, succession, confidentiality, asset protection, or taxation. Alternatively, the shares in the PTC may be held by an orphan structure such as a charitable or non-charitable purpose trust (which, unlike a conventional trust, can be formed to hold assets for a purpose without conferring a benefit on any person) or a company limited by guarantee (which does not have share capital or shareholders but members who act as guarantors for a set amount towards the company's debts).

BENEFITS OF A GUERNSEY PTC



Retention of control



Confidentiality



Avoids future changes in trusteeship



Provides greater degree of control to clients and their families.



Each full fiduciary license takes an outcome-based approach to the requirement to act as a director of the PTC



BENEFITS OF GUERNSEY



Safe and secure

constitutional autonomy and political & economic stability



Tax neutrality



Well-regulated financial services sectors



Proximity to London

Guernsey is the closest specialist finance centre to the city



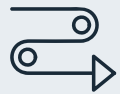
Expertise and specialist services



High standards of compliance



Respectful of right to privacy



Flexible and responsive regulation



Breadth of product range



Access into both UK and EU markets

continuing as 'business-as-usual' following the UK's departure from the EU



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