

Business Update:

Detailed Synopsis of Services

Cains Fiduciaries Limited is a wholly owned subsidiary of Cains Advocates Limited and provides administration services to many of the world's largest and best known financial and commercial institutions.

The team within Cains Fiduciaries is committed to providing:

- a commercial approach to the administration of client structures;
- highly experienced staff with in-depth technical knowledge, backed up by the Cains' team of specialist legal advisors;
- fast turnaround on all establishment and administration matters; and
- a cost effective service.

In addition to vehicles established in its home jurisdiction, the Isle of Man, Cains Fiduciaries can also assist its clients with the formation and administration of structures established in other jurisdictions including, in particular, the British Virgin Islands ("BVI"), Cyprus and Singapore (the "Other Jurisdictions").

Cains Fiduciaries' normal practice is to appoint a relationship manager (the "Relationship Manager") to act as the focal point of contact for a client's affairs, with the Relationship Manager being supported by one or more administrative assistants. Cains Fiduciaries' Relationship Managers include qualified company secretaries, bankers and accountants who are able, where necessary, to work in close co-operation with the lawyers within Cains to provide a seamless service, delivering a first class and in-depth understanding of the legal, regulatory and commercial aspects of a client's ongoing business affairs.

Cains Fiduciaries' has Relationship Management teams based in both its Isle of Man and Singapore offices and, depending upon a client's specific requirements, the services provided by these teams could include some or all of those described below.

Establishment services

Cains Fiduciaries' personnel have a proven track record of working effectively with a client's professional advisors to establish the required structure(s) within fast turnaround timescales.

Typically, the Relationship Manager obtains approval from the relevant Companies Registry (the "Registry") for the name of the company or other business vehicle and, on completion of all new business take-on procedures, takes steps to file the appropriate establishment documents at the Registry.

Following establishment, the Relationship Manager creates the appropriate statutory books and records for the entity type and reviews all documentation pertinent to the future administration of the entity.

The Relationship Manager can, if required, provide input into, and participate in, the drafting of any internal financial reporting or operating procedures which the client wishes to see implemented in relation to the future administration or ongoing operating activities of the entity.

Provision of director(s), registered agent & office services

Where the entity is a company, and depending upon its proposed activities, Cains Fiduciaries may be able to provide either a corporate licensed director or an individual or individuals resident in the Isle of Man or elsewhere (being senior officers of Cains Fiduciaries or its affiliates), to act as director(s) of the company.

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Where an independent director is required, Cains Fiduciaries can facilitate the identification of suitable candidates utilising a local firm specialising in executive recruitment with which Cains Fiduciaries has an established relationship.

Cains Fiduciaries can also facilitate the identification and recruitment of full or part-time employees in the Isle of Man or elsewhere where desired by the client, *inter alia*, to make manifest that management and control of the entity is in the relevant jurisdiction.

Companies established under the Isle of Man Companies Act 2006 or the BVI Business Companies Act 2004 have to appoint a licensed registered agent in the Isle of Man or the BVI. Such registered agent is responsible for ensuring that the company is properly administered. Cains Fiduciaries can arrange the provision of this service to client companies.

Where a business vehicle requires a registered office in the Isle of Man or the Other Jurisdictions then Cains Fiduciaries can also arrange this for its clients.

Member(s)

Cains Fiduciaries can, where required, provide nominee shareholder(s) for a client, such nominee entities usually being Cains Fiduciaries' wholly owned subsidiaries, Equity Trustees One Limited and Equity Trustees Two Limited.

Statutory record keeping and filing services

The Relationship Manager works with the client to ensure that the entity's statutory books and records are maintained in accordance with prescribed legislation.

Typically, Cains Fiduciaries maintains the company's memorandum and articles of association, register of members, register of directors, register of charges, copies of all notices and other documents required pursuant to the relevant legislation, any accounting records required to be kept under the relevant legislation, together with an imprint of the company's common seal (if any).

Every company is also required to maintain records of meetings and resolutions of members and directors, normally at the company's registered office. The Relationship Manager works with the director(s) of the company to ensure that its minute book is complete and up to date at all times and that the company's affairs are recorded in an orderly manner. Cains Fiduciaries' personnel are highly experienced in the production of corporate minutes that accurately and succinctly demonstrate the decision making process and the location of the entity's mind and management.

The Relationship Manager works with the client to ensure that all administered entities are in compliance with the requirement to file statutory returns under the legislation relevant to the particular

entity (provided always that the requisite information is available to enable the Relationship Manager to do so).

Support services

Cains Fiduciaries, through its close working relationship with Cains, ensures that clients are provided with summary information in relation to changes in relevant law materially affecting the statutory obligations of the entity.

Cains Fiduciaries makes available the provision of board rooms and other support facilities for meetings held at its offices, and telephone conference facilities for other meetings held by telephone.

The Relationship Manager works to support board, shareholder and other meetings by attending such meetings in person or by telephone and taking, drafting, preparing and circulating minutes of such meetings when requested to do so.

The day to day affairs of the entity, including dealing with all correspondence, faxes and telephone calls, are handled by the Relationship Manager.

The Relationship Manager can assist in the establishment of bank accounts, with counterparties approved by the management of the entity, and thereafter provide cash management services for funds held in such accounts where required.

Cains Fiduciaries is often responsible for operating the entity's bank accounts, including the authorisation of wire transfers in and out of such accounts and the payment of distributions, fees and expenses in accordance with authorities provided by the management of the entity.

Generally, the Relationship Manager liaises with those authorised to represent the entity and its stakeholders, and with the entity's bankers, managers (where applicable) and accountants.

Accounting services

Where Cains Fiduciaries is contracted to provide accounting services those services are delivered by its accounting team, Cains Accounting Services Limited. Cains Fiduciaries appoints an accounting manager (the "Accounting Manager") to act as the focal point of contact for the client's accounting needs, with the Accounting Manager being supported by one or more accounting assistants. The Accounting Managers are all qualified chartered accountants who have had many years' experience in accounting and/or audit roles with the big four accountancy firms. Each Accounting Manager works in close co-operation with the relevant Relationship Manager to provide a seamless service, delivering a first class and in-depth understanding of the accounting aspects of a client's business affairs.

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The accounting team, which is based in the Isle of Man, maintains all necessary accounting books and records for the entity and any related structures. It can also prepare and produce management reporting information for presentation to the entity's management and/or owners, usually on a quarterly basis.

The accounting team can prepare consolidated net asset valuations of an entity, or group of entities, in accordance with the provisions of the constitutional documents. Annual and interim consolidated financial reports and accounts can also be produced in accordance with relevant international financial reporting standards.

The Accounting Manager liaises with the auditors (and other professional advisers) of the entity generally and in respect of the preparation of annual and semi-annual audited financial statements where required.

The Accounting Manager can also liaise with the client's tax advisors where the entity is making taxable supplies and there is a requirement to register for Value Added Tax ("VAT") in the Isle of Man or elsewhere. Where an entity registers for VAT the Accounting Manager will work with the client to ensure that VAT returns are submitted to Isle of Man Customs & Excise, or relevant VAT authority in a timely manner.

Isle of Man trust services

In addition to corporate administration services, as the holder of a licence under section 7 of the Isle of Man's Financial Services Act 2008, Cains Fiduciaries is authorised to provide trust services from the Isle of Man.

Cains Fiduciaries acts as trustee of private trusts made for the benefit of specific individuals or a class thereof, whether or not involving a protector. The Relationship Manager will work closely with relevant family members and advisors in ensuring that the needs of the beneficiaries are properly and carefully catered for within the terms of the trust instrument, and after considering any specific wishes of the settlor.

Cains Fiduciaries also acts as a trustee of unit trusts and trusts established for non-charitable purposes pursuant to the Purpose Trust Act 1996 and will provide the "designated person" as required under this legislation. Similarly, Cains Fiduciaries may act as "enforcer" of purpose trusts established and managed by other trust companies.

Under all scenarios the Relationship Manager assigned to manage the relationship will be a trust professional with extensive years of experience of private and institutional trust cases, and will usually liaise with specialist lawyers within Cains both upon the establishment of the trust and during its ongoing administration.

Cains Fiduciaries regularly liaises with specialist investment managers in London, New York, Hong Kong and elsewhere and with leading

global custodians in order to ensure the safekeeping of trust assets. The selection of currencies and investment guidelines are carefully determined in accordance with the trust instrument and the requirements of the beneficiaries, and performance of the investments is reviewed on a regular basis with the relevant stakeholders and advisors.

For families with substantial wealth whose affairs are administered by a family office or a close advisor, Cains Fiduciaries can provide family office support services. These can often involve the delivery of a mix of company and trust services, including the management of liquid cash assets, together with the provision of estate and inheritance planning services by Cains.

In addition, the Relationship Manager responsible for co-ordinating the service offering will be able to facilitate the delivery of advice and assistance from leading investment managers, insurance specialists, tax consultants, real estate experts, art, yacht and aircraft specialists, as required.

Tax services

Whilst Cains Fiduciaries does not provide tax advice itself, it has a close working relationship with the international tax practitioners from the big four international accountancy firms and also with tax specialists and lawyers from more boutique international tax practices.

The Relationship Manager responsible for coordinating the service offering will be able to facilitate an introduction to appropriate tax advisors, who can provide commercially driven tax solutions that are tailored specifically to the needs and requirements of the client.

Tax advice can be sourced in the following core areas:

- international corporate transactions;
- international investment funds;
- structured finance;
- international real estate transactions; and
- private client advisory services.

Working in conjunction with the specialist corporate or private client lawyers in Cains, Cains Fiduciaries can facilitate the effective implementation of complex structures, using a variety of business entities domiciled in the Isle of Man and the Other Jurisdictions.

Cains Fiduciaries has a track record of working with tax advisors to deliver the successful execution of a particular transaction or series of transactions. It can also ensure that the ongoing management and administration of a client's affairs is conducted in such a manner as to maintain the integrity of the structure itself, and to ensure that internal rates of return are maximised.



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