



“TRUST”

THE LAST BASTION OF PRIVACY & THE ULTIMATE SAFE HEAVEN?

A TRUST IS A LEGAL RELATIONSHIP WHICH ARISES WHEN THE SETTLOR TRANSFERS CERTAIN ASSETS TO ONE OR MORE PEOPLE (TRUSTEES) ON THE BASIS OF A TRUST DEED WITH THE OBLIGATION TO ADMINISTER AND USE SUCH ASSETS FOR A PURPOSE PRE-DETERMINED BY THE SETTLOR FOR THE BENEFIT OF ONE OR MORE THIRD PARTIES (BENEFICIARIES).

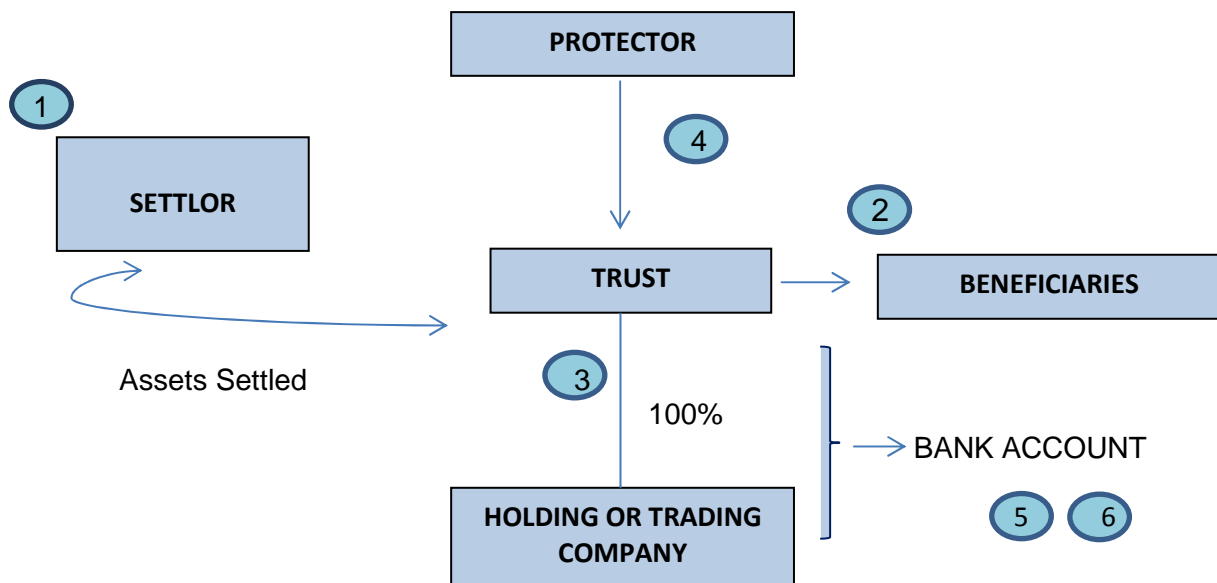
KEY PLAYERS:

- **SETTLOR:** IS THAT PERSON WHO CREATES THE TRUST BY WAY OF LEGAL ACT BETWEEN LIVING PEOPLE OR UPON DEATH.
- **BENEFICIARY:** IS THE PERSON WHO BENEFITS FROM THE DISTRIBUTION OF THE TRUST.
- **TRUSTEE:** ONE OR MORE NATURAL OR LEGAL PEOPLE (TRUSTEES) WHO ARE REQUIRED TO ADMINISTER CERTAIN ASSETS AND USE THEM FOR THE PURPOSE PREDETERMINED BY THE SETTLOR.
- **PROTECTOR:** IS A NATURAL OR LEGAL PERSON WHO CAN BE APPOINTED BY THE SETTLOR IF SO WISHES TO MONITOR WHETHER THE TRUSTEE IS FULFILLING HIS OBLIGATIONS IN ACCORDANCE WITH THE SETTLOR’S INTENT.

TYPE OF TRUST:

- **REVOCABLE TRUST:** IN THE CASE OF A REVOCABLE TRUST, THE SETTLOR RESERVES THE RIGHT TO REVOKE THE TRUST AT A FUTURE DATE AND TO RECOVER THE REMAINING ASSETS OR HAVE THEM TRANSFERRED TO A THIRD PARTY. THE SETTLOR HAS THEREFORE NOT DEFINITELY DIVESTED HIMSELF OF HIS ASSETS.
- **IRREVOCABLE TRUST:** IF THE SETTLOR ESTABLISHES AN IRREVOCABLE TRUST, HE DIVESTS HIMSELF DEFINITELY OF THE TRUST ASSETS, AND IN PRINCIPLE HE BASICALLY HAS NO MORE RIGHTS OR DUTIES IN RESPECT OF THOSE ASSETS.
- **IRREVOCABLE FIXED INTEREST TRUST:** THE PROVISIONS RELATING TO THE BENEFICIARIES AND THEIR RESPECTIVE RIGHTS ARE TO BE FOUND IN THE TRUST DEED. WITH THIS TYPE OF TRUST THE TRUSTEE THUS HAS NO FREEDOM OF DISCRETION IN THE DISTRIBUTION OF THE INCOME AND/OR CAPITAL OF THE TRUST.
- **IRREVOCABLE DISCRETIONARY TRUST:** THERE IS NO ENRICHMENT OF THE BENEFICIARY AS IT IS NOT YET CERTAIN WHICH PEOPLE WILL RECEIVE A DISTRIBUTION, AND HOW MUCH AND AT WHAT TIME. THE RIGHTS OF THE BENEFICIARY ARE THUS MERELY IN THE NATURE OF AN EXPECTANCY.

THE ADVANTAGES OF SETTING UP AN IRREVOCABLE AND DISCRETIONARY TRUST



ADVANTAGES:

- 1) THE SETTLOR IS NOT THE BENEFICIAL OWNER OF THE TRADING BUSINESS
- 2) THE BENEFICIARY/IES IS/ARE NOT OFFICIALLY NOMINATED AND SO FAR HE/THEY CAN NOT BE CONSIDERED AS THE BENEFICIAL OWNER/S OF THE TRADING BUSINESS UNTIL THE DISTRIBUTION OF PROFITS IS MADE
- 3) THE TRUST CAN RUN ANY BUSINESS THANKS TO ITS SUBSIDIARY COMPANY/IES (HOLDING ASSETS AND/OR TRADING ACTIVITY)
- 4) THE TRUST DEED IS NOT IN ANY PUBLIC RECORD
- 5) THE BANK WILL NOT HAVE SPECIFIC BENEFICIARIES DETAILS IN ITS INTERNAL RECORDS UNTIL THE DISTRIBUTION OF PROFITS IS MADE.
- 6) WHERE THE TRUSTEES OF A DISCRETIONARY TRUST DO NOT DISTRIBUTE DIVIDENDS EARNED DURING A GIVEN PERIOD, THESE TRUSTEES, ACTING IN THEIR CAPACITY AS SUCH (OR THE TRUST, IF RECOGNIZED AS A SEPARATE TAXPAYER), COULD CONSTITUTE THE BENEFICIAL OWNERS OF SUCH INCOME.

PLEASE FEEL FREE TO CONTACT US WITH ANY QUESTIONS OR QUERIES.

TRUST 4 TRUST GROUP
 EMAIL: INFO@TRUST4TRUST.COM
 PH.: +41 91 220 4710
 FAX: +41 91 220 4711