

KEY FACTS

In 2004 the Bahamas introduced legislation which makes the Bahamas, a common law jurisdiction, a leading contender as a domicile for foundations.

Foundations have been used for the past 100 years. Their use in international tax and asset protection planning started in Liechtenstein in the late 1930s, moved to other European countries in subsequent years and more recently to Panama and the Netherlands Antilles. Their most active initial use was to provide protection for assets as well as confidentiality during the Second World War. Foundations have since become well-known and acceptable in many civil law jurisdictions, especially those located in Europe and Latin America, where trusts are less well known.

The Bahamas foundation law builds on the accomplishments of these other jurisdictions. It has done so by introducing new features to its foundations law. The drafters of the Bahamas foundations legislation also took into account the specific requirements of civilian clients and their need to exercise a degree of control which trusts may not permit.

USES OF FOUNDATIONS

Common uses for foundations include:

- Tax and estate planning
- Asset protection planning
- Maintenance of corporate control
- Assistance to charities
- Separation of voting and economic benefits in investment holding companies
- Ownership of private trust companies
- Operation of employee share option schemes
- Holding assets off-balance sheet in connection with the securitisation of mortgage

LEGISLATION SUMMARY

- The foundation is a registered legal entity. Assets placed within the foundation are solely owned by the foundation.
- Bahamas anti-forced heirship rules apply to transfers to a foundation.
- The foundation can be established either for an indefinite or fixed period.
- The foundation can be established for charitable, commercial or private purposes.
- The Founder can be an individual, a corporation or a Nominee.
- The establishment of the foundation becomes effective after all registration formalities have been completed.

KEY FACTS

- The Founder may reserve certain powers. Alternatively, the law provides for the foundation to have a Protector in whom powers can be vested in the event that a Nominee Founder is used.
- One natural person must also be appointed as an Officer of the foundation in addition to its Secretary.
- A Foundation Council, or an alternative supervisory or governing body/person, including a Protector, can be appointed.
- Vested Beneficiaries of a foundation must be notified of their interest and will be entitled to request information from the Officers of the foundation.
- Proper records and accounts must be kept by the Officers of the foundation which can be inspected by an Officer, Foundation Council Member, Founder, auditor or any other supervisory person (e.g. Protector) at any time.
- Confidentiality provisions restrict any person acquiring information in his capacity as an Officer, Protector, Council Member, attorney or auditor of the foundation from disclosing information relating to the foundation without the express consent of the Founder and Beneficiaries.
- The foundation has the ability to re-domicile to and from the Bahamas.

FOUNDATION REGISTRATION

- The registration process is comparable to that for a Bahamas company.
- The foundation is registered with the Registrar General Office.
- The name of the foundation must first be reserved at the Registrar prior to the submission of the necessary documentation. The Registrar will confirm that the foundation name is valid for use and has been reserved for a period of 90 days.
- After the foundation name has been reserved the required documentation must be submitted to the Registrar.

Required Documentation for a Foundation

- An application for registration
- A statement signed by the Secretary of the foundation or any attorney engaged to form the foundation which contains extracts from the Charter of the foundation as follows:
 - Name of the foundation
 - Date of Charter and Articles (if any)
 - Summary of the foundation's purposes
 - Name and address in the Bahamas of the foundation for service of documents
 - Name and address of the Secretary
 - Name and address of the Foundation Council
 - Address of Registered Office
 - Value of initial assets, and
 - Period for which the foundation will be active
- A list of the name(s) and address(es) of the Officer(s) of the foundation

KEY FACTS

- A statutory declaration certifying to the Registrar that:
 - The Foundation Charter contains a statement that the value of the assets of the foundation may not be less than US\$10,000 or the equivalent in any other currency.
 - All of the requirements of the Foundations Act in respect of the registration of the foundation have been complied with.

The Foundation Charter or Articles may, but need not, be filed with the Registrar to complete the registration process.

After the documentation is accepted by the Registrar, a Certificate of Registration will then be issued specifying the name and number of the foundation and stating that the foundation has been registered in accordance with the provisions of the Foundations Act, 2004. At that stage the foundation will be regarded as a registered entity and can carry on its business as outlined by the Charter.

Please contact any Trident Trust office worldwide for further information about our services and fees. Office contact details are included on the following page.

Trident Corporate Services (Bahamas) Ltd
Kings Court, Bay Street
PO Box N-3944, Nassau, Bahamas
Tel +1-242-322-6154
Fax +1-242-328-1064
bahamas@tridenttrust.com

EUROPE
GUERNSEY

Trident Trust Company (Guernsey) Ltd
 Tel +44-1481-727571
 Fax +44-1481-723162
 guernsey@tridenttrust.com

ISLE OF MAN

Trident Trust Company (IOM) Ltd
 Tel +44-1624-646700
 Fax +44-1624-620588
 iom@tridenttrust.com

JERSEY

Trident Trust Company Ltd
 Tel +44-1534-733401
 Fax +44-1534-727195
 jersey@tridenttrust.com

LUXEMBOURG

Trident Trust Company (Luxembourg) S.A.
 Tel +352-95-05-74-74
 Fax +352-95-91-11
 luxembourg@tridenttrust.com

MALTA

Trident Trust Company (Malta) Ltd
 Tel +356 21 434 525
 Fax +356 21 434 595
 malta@tridenttrust.com

SWITZERLAND

Zurich
Trident Corporate Services AG
 Tel +41-44-396 1080
 Fax +41-44-396 1081
 switzerland@tridenttrust.com

Geneva

Integritas Trust S.A.
 Tel +41-22-715-2760
 Fax +41-22-732-3674
 switzerland@integritastrust.com
 www.integritastrust.com

UNITED KINGDOM

Trident Trust Company (UK) Ltd
 Tel +44-20-7935-1503
 Fax +44-20-7935-7242
 uk@tridenttrust.com

Trident Company Services (UK) Ltd

Tel +44-20-7487-0460
 Fax +44-20-7487-0461
 corpserives@tridenttrust.com

THE AMERICAS / CARIBBEAN
BAHAMAS

Trident Corporate Services (Bahamas) Ltd
 Tel +1-242-322-6154
 Fax +1-242-328-1064
 bahamas@tridenttrust.com

Integritas Trust Company Ltd

Tel +1-242-322-2200
 Fax +1-242-322-2030
 bahamas@integritastrust.com
 www.integritastrust.com

BARBADOS

Trident Corporate Services (Barbados) Ltd
 Tel +1-246-431-0760
 Fax +1-246-431-0591
 barbados@tridenttrust.com

BRITISH VIRGIN ISLANDS

Trident Trust Company (BVI) Ltd
 Tel +1-284-494-2434
 Fax +1-284-494-3754
 bvi@tridenttrust.com

CAYMAN ISLANDS

Trident Trust Company (Cayman) Ltd
 Tel +1-345-949-0880
 Fax +1-345-949-0881
 cayman@tridenttrust.com

NEVIS

Meridian Trust Company Ltd
 Tel +1-869-469-1333
 Fax +1-869-469-0968
 nevis@tridenttrust.com

PANAMA

Trident Trust (Panama) S.A.
 Tel +507-302-7494
 Fax +507-302-7497
 panama@tridenttrust.com

UNITED STATES

New York
Trident Corporate Services, Inc
 Tel +1-212-840-8280
 Fax +1-212-944-5923
 nyc@tridenttrust.com

Atlanta

Trident Corporate Services, Inc
 Tel +1-404-233-5275
 Fax +1-404-233-9629
 usa@tridenttrust.com

Sioux Falls

Trident Trust Company (South Dakota) Inc
 Tel +1-605-679-4355
 Fax +1-605-679-4357
 sd@tridenttrust.com

Miami

Integritas, Inc
 Tel +1-305-405-9006
 Fax +1-305-416-3143
 usa@integritastrust.com
 www.integritastrust.com

US VIRGIN ISLANDS

Trident Trust Company (VI) Ltd
 Tel +1-340-774-7322
 Fax +1-340-776-0651
 usvi@tridenttrust.com

ASIA / PACIFIC
HONG KONG

Trident Corporate Services (Asia) Ltd
 and **Trident Trust Company (HK) Ltd**
 Tel +852-2805-2000
 Fax +852-2850-4090
 hongkong@tridenttrust.com

NEW ZEALAND

Trident Trust Company (NZ) Ltd
 Tel +64-9-300-6067
 Fax +64-9-366-1482
 nz@tridenttrust.com

Integritas New Zealand Ltd

Tel +64-9-300-6067
 Fax +64-9-366-1482
 nz@integritastrust.com
 www.integritastrust.com

SINGAPORE

Trident Trust Company (Singapore) Pte Ltd
 Tel +65-6304 3288
 Fax +65-6491 1231
 singapore@tridenttrust.com

MIDDLE EAST / AFRICA
CYPRUS

Trident Trust Company (Cyprus) Ltd
 Tel +357-258-20-650
 Fax +357-253-61-857
 cyprus@tridenttrust.com

Trident Fiduciaries (Middle East) Ltd

Tel +357-253-53-520
 Fax +357-258-18-808
 fiduciariesme@tridenttrust.com

DUBAI

Trident Trust Company (UAE) Ltd
 Tel +971-4-423-9988
 Fax +971-4-450-4411
 dubai@tridenttrust.com

MAURITIUS

Trident Trust Company (Mauritius) Ltd
 Tel +230-210-9770
 Fax +230-210-1266
 mauritius@tridenttrust.com

SEYCHELLES

Trident Trust Company (Seychelles) Ltd
 Tel +248-4-422-000
 Fax +248-4-422-010
 seychelles@tridenttrust.com