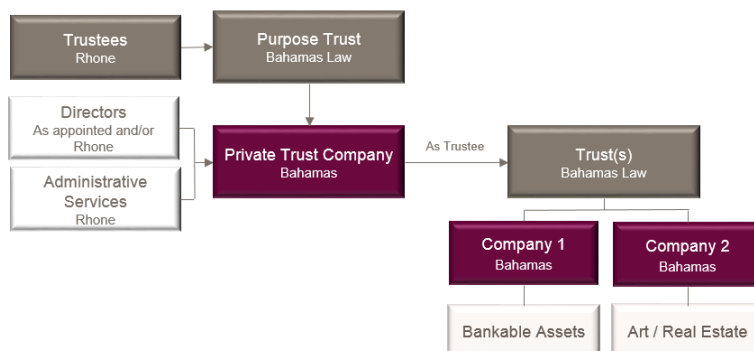


INTRODUCTION TO PRIVATE TRUST COMPANIES (PTCs)

KEY FEATURES



The Purpose Trust

- The Purpose Trust acts solely as the owner of the shares in the Private Trust Company and has no other function.

The Private Trust Company (PTC)

- The Board of Directors of the PTC is in overall control of the trust assets. How the Board is constructed depends upon family requirements. Rhône can, if desired, provide all or some of the board members of the PTC.
- Rhône acts as administrator to ensure the PTC maintains proper trustee records and meets regulatory requirements.

Trust(s)

- The PTC acts as trustee of one or several Trusts holding a wide variety of assets, bankable and other.

Holding Companies

- There are no restrictions on the types of assets the trusts can hold via its underlying companies, including artwork, real estate, trading companies, yachts etc.

REASONS FOR CHOOSING A PTC STRUCTURE

A PTC structure provides a family with a greater role in the control and administration of their family trusts. Some of the key features are summarised below.

Control: The family may select and appoint the board of directors of the PTC. The board can consist of a mixture of family members and possibly other professionals (legal/accounting/financial advisors etc.) who are familiar with the history and the needs of the family, along with an external professional trustee who provides technical trust advice. Thus, a PTC structure allows different generations of a family to be involved in the decision making process and so provides a continuity of ownership and management of family assets over generations.

Managing risk: PTC structures are ideally suited to act as trustee of family operated businesses and other non-bankable assets such as yachts, jets, artwork, real estate, publicly traded companies etc. because a PTC as trustee can assume greater risks than a professional trustee. This aspect can make a PTC structure more cost efficient as the risk appetite of the structure can be tailored specifically for the family.

Fully bespoke: PTC structures can be fully adapted to a family's needs. Matters such as information flow, meeting arrangements, signing authorities and insurance can all be structured to meet the exact requirements.

Regulation: PTCs are subject to lower levels of regulation than professional trustees as they do not provide services to the public. Again, this ensures great flexibility and can reduce costs.

AEOI: A PTC structure may be used as part of a coordinated approach to promote simplified reporting treatment under International Automatic Information Exchange Agreements (including FATCA and CRS).

RHONE LEVELS OF SERVICE

During the set-up process Rhone will assist with the drafting of the trust deed and letter of wishes and deal with all matters concerning the incorporation and appointment of the directors and officers of the underlying company.

Trustee services include liaison with such legal and tax advisors as required; annual meetings with you and/or the beneficiaries or your representatives; exercising trustee discretion as required (e.g. concerning distributions); preparation of annual financial statements for the trust and the underlying company; maintenance of all statutory registers for the underlying company and necessary records, files and archives and dealing with all FATCA and Common Reporting Standard (CRS) compliance and other reporting requirements.

RHONE

Rhone, a Swiss Group with international operations, provides guidance on choosing the right legal structures and jurisdictions for your needs.

We also obtain and provide a comprehensive range of legal, administrative, fiscal and accounting services for such structures. We have more than 50 experienced staff who are carefully recruited for their qualifications and discretion. They draw on decades of experience in providing services of the highest caliber to clients from all over the world – whatever their needs.

Rhone's mission is to create tailor-made and innovative solutions founded on sound expertise and a disciplined approach and delivered through a personal relationship forged with clients over the long term.

For more information, please visit rhoneservices.com

Disclaimer

The information and comments contained herein are for the general information of the reader and are not intended as advice or opinions to be relied upon in relation to any particular circumstances. For particular application of the law to specific situations, the reader should seek professional advice.

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