



NERINE CHAMBERS PO BOX 905 ROAD TOWN TORTOLA BRITISH VIRGIN ISLANDS
 Tel: (001)284 494 8790 Fax: (001)284 494 8791 Email: mail@nerinebvi.com Web: www.nerine.com

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The following is a brief summary of important current events in the British Virgin Islands financial services industry:

<p>Private Trust Company Regulations</p>	<p>As per previous newsletters, the BVI's Private Trust Company legislation was recently updated by means of the Financial Services (Exemptions) Amendment Regulations, ("the Regulations"), which were introduced on 2 August 2007, and amended on 27 December 2007. The Regulations replaced the Banks & Trust Companies (Application Procedures) Directions, 1991, and further clarified the BVI's legislation for Private Trust Companies, ("PTCs").</p> <p>To qualify as a PTC under the Regulations, a company must be incorporated, or re-registered, under the BVI Business Companies Act 2004. The Memorandum of the company must state that the company is a PTC, and "PTC" must appear in the company name. The incorporation, and ongoing licence, fee for PTCs is US\$750.</p> <p>In order for the PTC to remain exempt, the company must either (a) receive no direct or indirect remuneration for trustee services, (the remuneration of professional directors & payments made to meet costs do not constitute remuneration); and / or (b) carry on "related trust business", (i.e. only act as trustee of one of more trusts of which the beneficiaries have a specified family relationship to a single settlor or to related settlors). In addition, the PTC must carry on no business other than trust business, as per (a) &/or (b) above, and must not solicit business from the public.</p> <p>If all requirements are met, as above, then exemption is automatic and no approval is required from the BVI Regulator. The Regulations confer additional responsibilities on the BVI registered agent, which were detailed in the January 2008 newsletter.</p> <p>All PTCs existing prior to August 2007, (that had previously relied on the 1991 Directions), will need to comply with the Regulations by 31 July 2008. <i>Clients are reminded again to review their portfolios carefully and identify any such companies, so that the statutory documents may be amended, prior to the deadline.</i></p> <p>We continue to believe that the Regulations provide a clear, efficient and cost-effective regime for the incorporation of PTCs and ensure that the BVI remains an excellent jurisdiction for such structures.</p>
<p>Anti-Money Laundering Legislation</p>	<p>The BVI's compliance regime was further enhanced in 2008, by the introduction of updated Anti-Money Laundering and Terrorist Financing Regulations and accompanying Code of Practice on 22 February 2008.</p> <p>The new legislation became effective immediately, and governs new business from that date forwards. It does not significantly change the way new business can be taken on, but emphasises a risk-based approach and seeks to ensure that the BVI complies fully with the FATF's 40 plus 9 recommendations.</p>

<p>Company Incorporation Statistics</p>	<p>The BVI Financial Services industry continues to grow at a substantial pace. This is demonstrated in recently published statistics by the BVI Financial Services Commission.</p> <p>In the first quarter of 2008 alone, 20,753 new companies were incorporated. This is on the back of record incorporation figures in 2007, when there were 77,022 new companies incorporated.</p> <p>All incorporation and post-incorporation transactions are now processed electronically through the BVI Registry's online system, VIRRGIN, (Virtual Integrated Registry & Regulatory General Information Network!).</p> <p>As a result, the majority of new incorporations, (and certain post-incorporation transactions, e.g. Certificates of Good Standing), are turned around in less than 24 hours. All other post-incorporation transactions are turned around in approximately 48 hours.</p>
<p>Nerine BVI 10th Anniversary</p>	<p>Nerine Trust Company (BVI) Limited celebrated its 10th Anniversary on 20th May 2008, with a gathering of friends and well wishers at the Old Government House Museum in Road Town, Tortola.</p> <p>Among the approximately 120 guests in attendance, were His Excellency the Governor, the Deputy Premier, the Leader of the Opposition, Director of the International Finance Centre, directors and staff from the BVI Financial Services Commission and the Registry of Corporate Affairs, and numerous colleagues from the BVI financial services industry. Colleagues from the Nerine Guernsey office were also present.</p> <p>Nerine Trust Company (BVI) Limited was established on 20th May 1998 to provide quality company and trust formation and administration services.</p>
<p>BVI Festival 2008</p>	<p>It's Carnival time again in the British Virgin Islands, (or Festival, as it is known locally)!!</p> <p>As a result of the festivities, the Nerine BVI office, and all other offices in the BVI, (including the Registry), will be closed on <u>Monday, Tuesday and Wednesday, 4, 5 and 6 August 2008</u>. Normal business will resume on Thursday, 7 August 2008. Please be guided accordingly.</p>
<p>Enquiries</p>	<p>If you have any questions, concerning the above information, please contact Simon Filmer in the BVI office, (simon.filmer@nerinebvi.com or +284 494 8790), or your usual Nerine contact.</p>

The information in this newsletter has been prepared in good faith and is for guidance purposes only. It does **not** constitute legal advice and is subject to change without warning. Before acting on any information contained herein, you should check it, by contacting your Nerine office or seeking formal legal advice from BVI counsel.