

Nerine Trust

The Advantages of Creating a Trust –

Trusts in the Corporate World

Introduction

Traditionally, Trusts have tended to be arrangements which have been established for persons and families.

However, Trusts are increasingly being used in the corporate world by companies and other corporate entities.

Here are some examples of the application of Trusts for corporate clients:

- Acting as trustees of company pension schemes
- Acting as trustees of unit trusts or mutual funds
- Employee benefit schemes

Employee Share option schemes

Many companies utilise share option schemes as a means of offering incentives to Directors and staff to participate in the increased growth and value of the company's business.

The schemes are structured to meet the objectives of individual companies, but often take the form of a Trust established in an offshore jurisdiction.

The advantages which can be achieved by the establishment of Share Option Schemes include:

- Minimising unnecessary taxation and other fiscal charges not applicable to expatriate staff
- Deferral or mitigation of taxation and fiscal charges on benefits arising to members of schemes
- Greater flexibility for internationally mobile executives
- Greater regulatory supervision of trustees, as onshore trustees in many countries are not subject to financial regulation

Nerine's services to Share Option Schemes

Nerine has a vastly experienced senior management team combining high level professional trustee expertise, extensive experience in managing professional investor relationships and a policy of specialising in the administration of “non bankable” assets.

Nerine is able to advise on the establishment of Share Option Schemes in a number of offshore jurisdictions including Guernsey and the British Virgin Islands, working in conjunction with specialist advisers to the Company or members of Schemes on the taxation and other obligations arising from the Scheme.