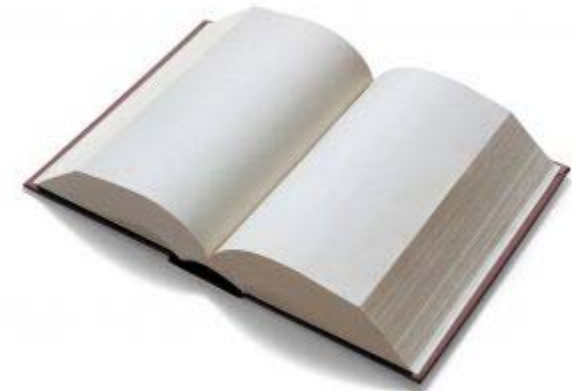


Offshore companies and succession: The practical challenges and how to avoid them

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Overview

What we are going to cover today:

- **What the problems are**
- **How we can solve them**



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One or more jurisdictions?



Do we face the same problems in each offshore jurisdiction? Why?

- Client indifference
- Adviser indifference

Legal situs of assets

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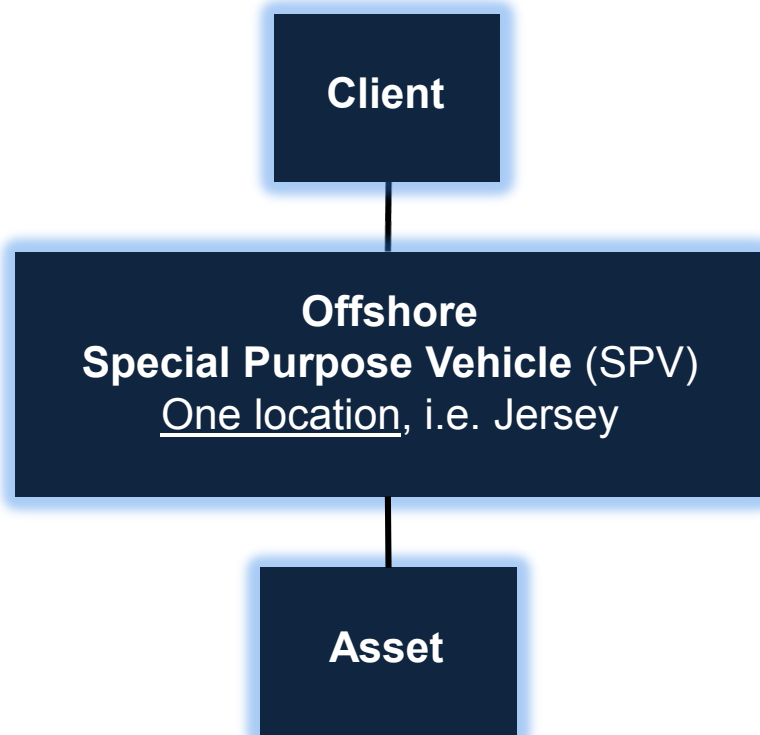
| Nature of Property | Where Situated |
|---|---|
| Land, inc. land subject to a mortgage and other tangible assets | Where the land or other asset is physically situated |
| Debts: | |
| Simple contract debts | Where the debtor resides |
| Speciality debts | Where the speciality is situated |
| Judgment debts | Where the judgment is recorded |
| Mortgages of land; if there is a personal obligation to repay the mortgage debt | Same as for the other debts above |
| If there is no such obligation but only a charge on the land | Where the land is situated |
| Securities: Bearer securities | Where the document of title is situated |
| Registered or inscribed securities | Where the Register is required to be kept |
| Bank balances | Where the branch at which the debt is payable is situated |
| Business assets, inc. a share in partnership business and goodwill attached to the business | Where the business is carried on |

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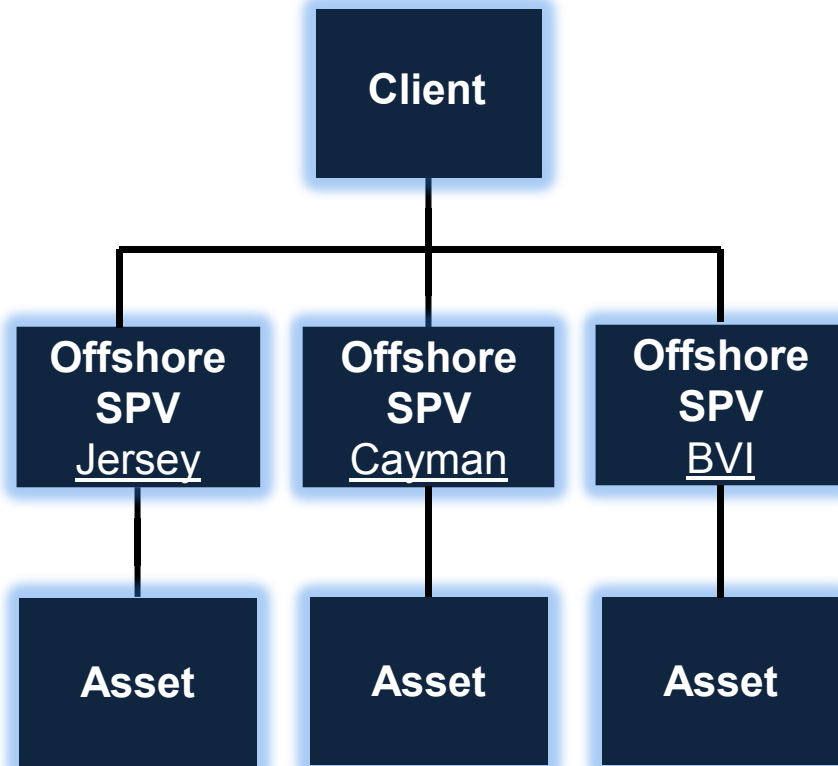
- Register of members
- Nominee shareholding
- Joint ownership

Basic structuring: Example 1



- Ownership: Co. level
- Shares: Owned personally
- If no other planning, structure may be frozen on death of beneficial owner!
- **Joint ownership: A solution and a problem**
- **Probate proceedings: In Jersey = delay & cost**

Basic structuring: Example 2



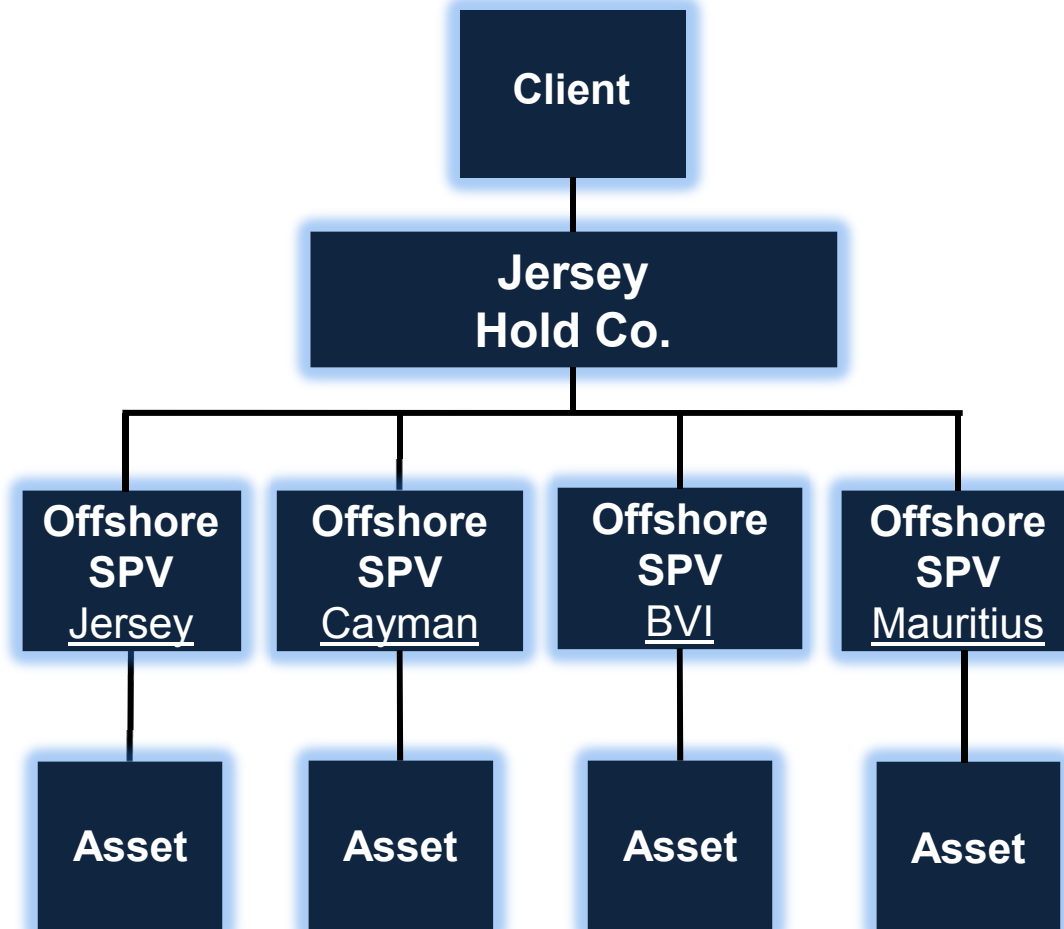
Again...

- Ownership: Co. level
- Shares: Owned personally
- If no other planning, structure may be frozen on death of beneficial owner!

...however:

- **Probate proceedings:** Required in 3 jurisdictions
- **No indication of generational planning**
- **Options: Maybe family share ownership, but same problems**

Basic structuring: Example 3



Again...

- Ownership: Co. level
- Shares: Owned personally
- If no other planning, structure may be frozen on death of beneficial owner!

...however:

- **Probate proceedings:**
Only required in Jersey
(where Hold Co.)

...but still:

- No indication of generational planning
- Options: Family share ownership, but again problems

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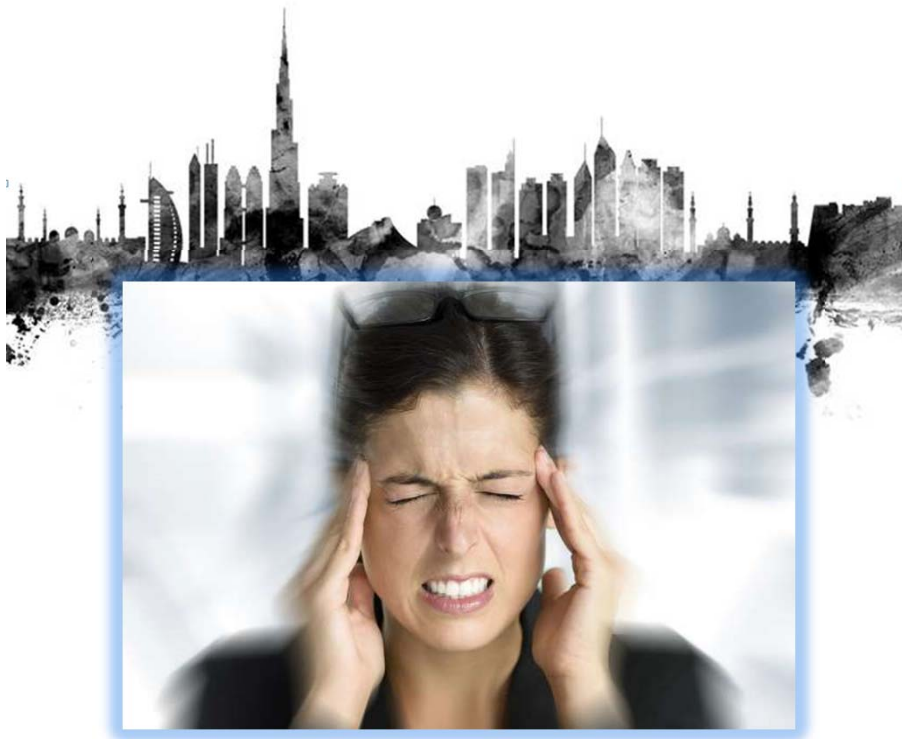
Upon death: The challenges start



- **Position of the company**
- **What happens to the assets?**
- **Local laws**

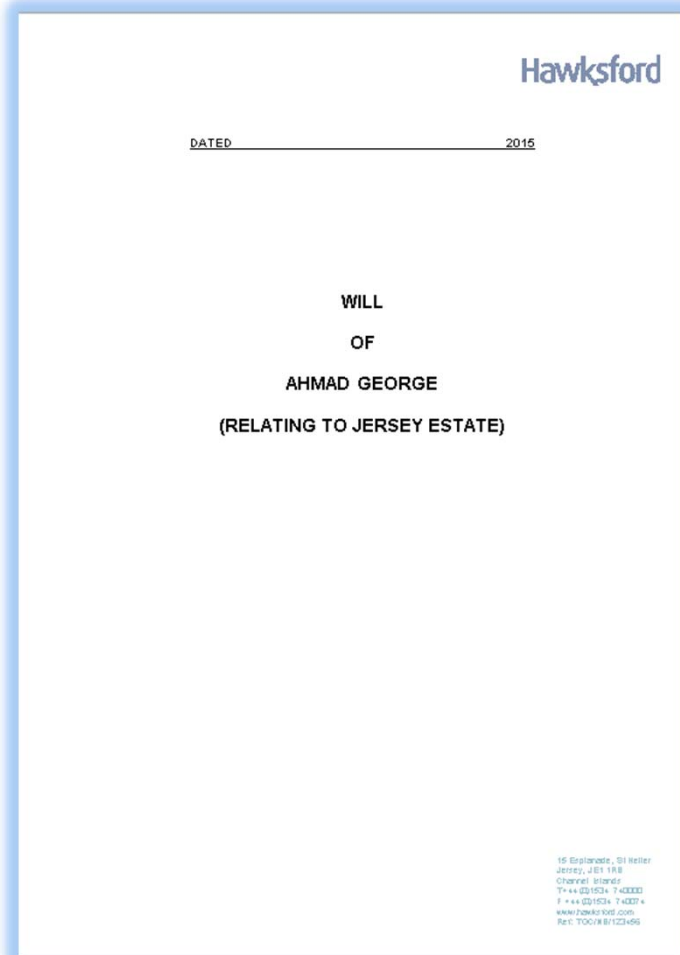
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The problems continue



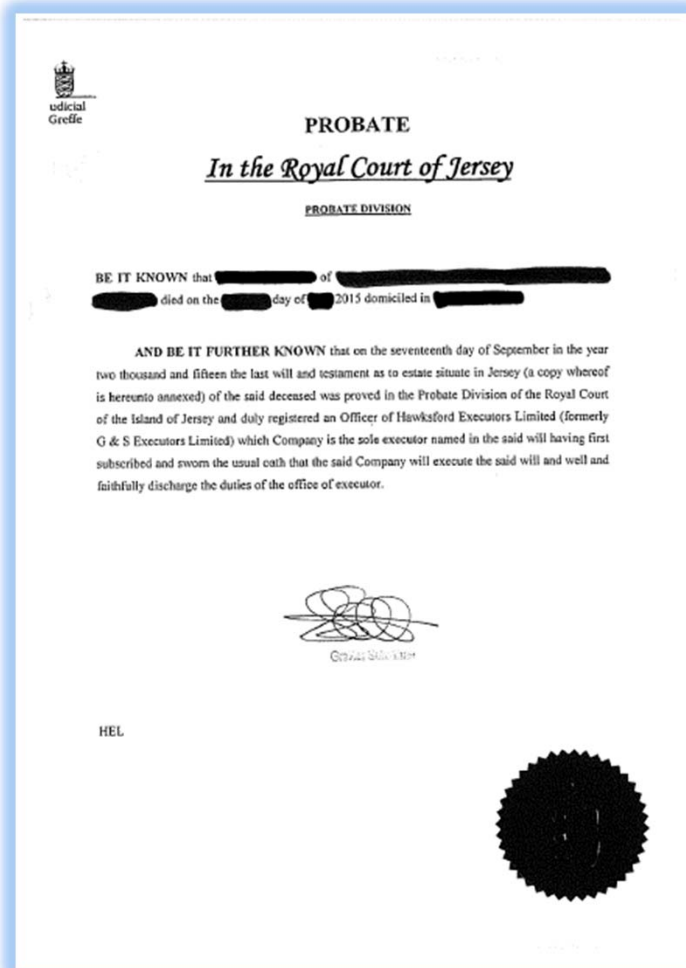
- **The Sharia Declaration**
- **Intestacy**
- **Is there a Will?**
- **Who do you turn to?**

The offshore Will



- Why it should be in place?
- Procedures
- Can Sharia apply?

Grant of Probate



- Procedures
- Costs
- Time frames

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The future



- **Better planning**
- **What should that look like?**

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Thank you for joining us

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