

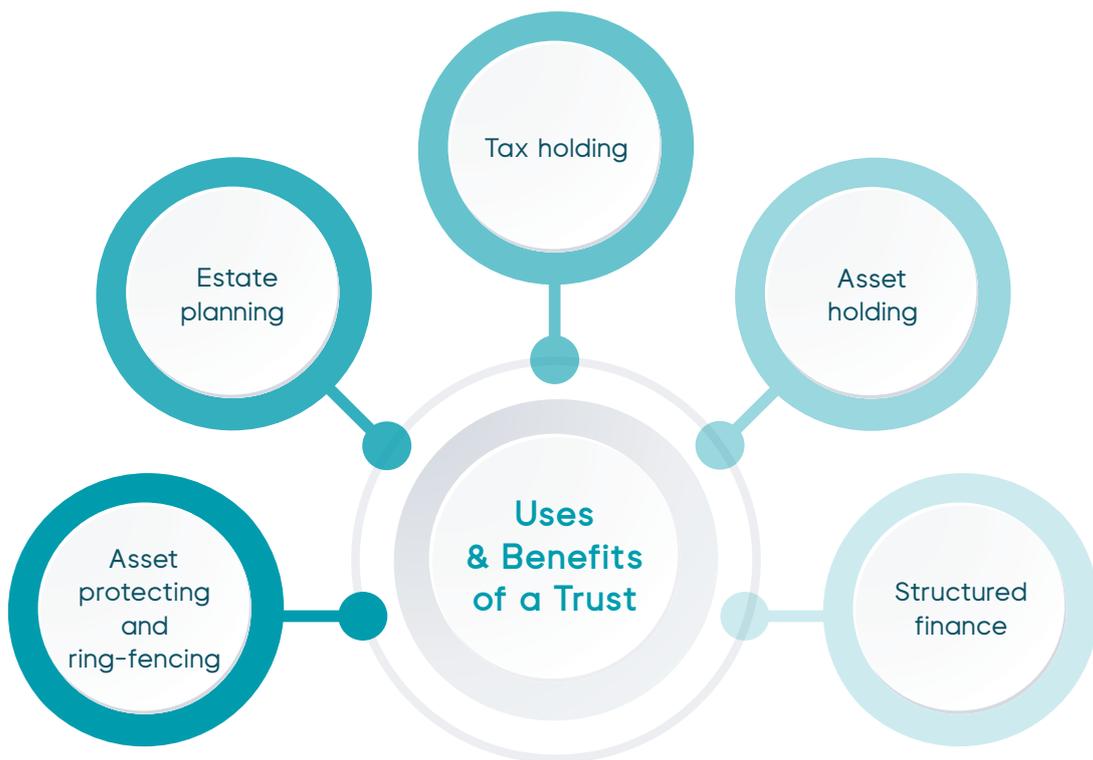
# Trust

Mauritius Trusts are governed by the Trusts Act 2001 (the "Act").

A Mauritius trust can help not only preserve your wealth but can also offer you greater flexibility over the management and distribution of your assets.

## *Uses of Trusts*

*A Trust has a wide variety of uses and benefits:*



### *Establishment of a Trust*

To create a trust, the settlor will transfer assets to the trustee. The assets will be managed by the trustee based on the terms of a deed for the benefit of the beneficiaries. The trust is usually setting up in writing by a trust deed setting out the terms of the trust, the powers and the duties of the trustees and the rights of the beneficiaries.

Trust deeds can be tailored to meet your specific requirements. Generally, they are worded in the widest possible terms to allow a trustee scope to respond to changing circumstances and requirements.





## *Types of Trust*

There are many different types of Trusts and the selection for a particular client's requirements.

### *Private Trust - Discretionary*

It is the most flexible and common type of trust which allows the trustee to appoint additional beneficiaries or to remove existing beneficiaries.

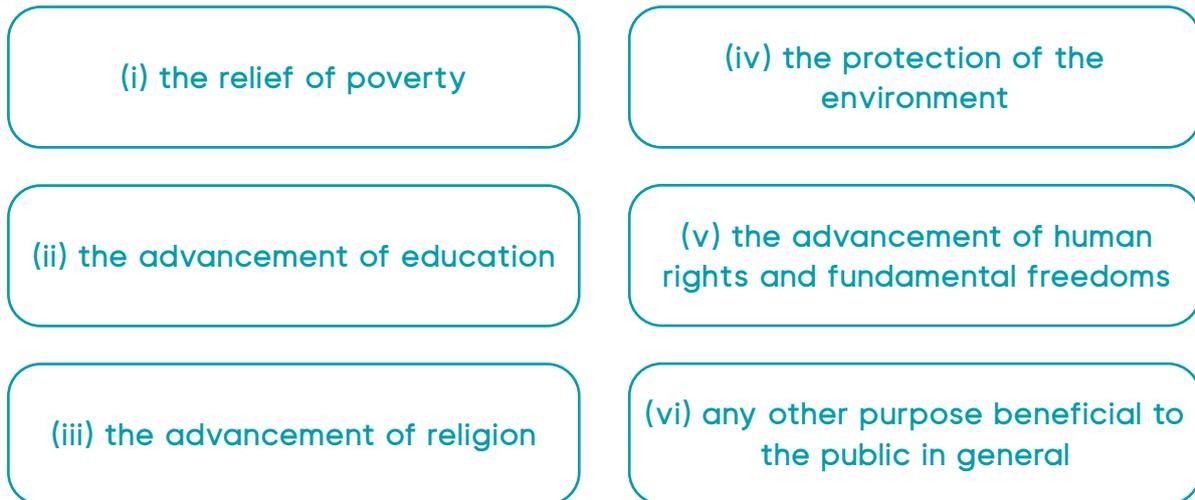
It also allows trustee to distribute income and capital of the trust to beneficiaries. The settlor shall provide the trustee with a letter of wishes on how the latter should administer the trust and manage the assets.

A Mauritius trust may be created for a purpose, notwithstanding the absence of any beneficiary. The purpose must be specific, reasonable, and capable of fulfillment and not immoral, unlawful, or contrary to public policy. A purpose trust must have an enforcer who can enforce the terms of the trust. The instrument creating the trust must provide for the disposition of the assets upon its termination.



## Charitable Trust

A Charitable trust must have as their exclusive purpose one or more of either



## Roles:

### Trustee

The trustees must administer the trust and must execute their functions in accordance with the Act, the trust deed and in the interest of the beneficiaries. At least one trustee of a Mauritius Trust must be a qualified Trustee. A qualified Trustee is one licensed by the Financial Services Commission (FSC) to carry out trust business. Subject to the foregoing a settlor may be one of the trustees. The number of trustees may not exceed four.

### Settlor

A settlor can be a natural person or a body corporate. A settlor can also be a beneficiary, a protector, a trustee, or an enforcer. However, the settlor cannot be the sole beneficiary of a trust.

### Beneficiaries

A beneficiary means a person, whether natural or corporate entitled to benefit under a trust, or in whose favor a power to distribute trust property may be exercised.

### Protector

Any person of full age or anybody corporate, any firm, partnership or group of persons may be appointed as protector. The settlor, the trustee or a beneficiary may also be the protector.

### Taxation

Trusts are liable to income tax on its chargeable income. However, a trust shall be exempt from income tax

1. if the settlor is a non-resident or holds a Global Business License (GBC).
2. if all the beneficiaries appointed throughout an income year are non-residents or holds the trust hold a GBC License company.
3. if it is a purpose trust and the activities are carried out outside Mauritius. The Trust may deposit a declaration of non-residence for any income year to the Mauritius Revenue Authority within 3 months after the expiry of the income.



## How Think Thrust can help?

**Independence** - Think Thrust has no conflicts of interest. We always act in the best interests of the settlor and beneficiaries of the offshore trust.

**Expertise** - The provision of offshore trust services is not a purely mechanical and administrative role. Judgement and expertise are required. Trust law is a complex and demanding area of the law.

- Trusteeship and related services
- Legal advice and guidance
- Trust accounting and maintenance of asset ledgers
- Reporting and filing as appropriate

## Required documents for establishing a Trust in Mauritius:

### Individuals:

\*The following documents are required for each individual Beneficial Owner(s), Director(s), Shareholder(s) and Authorised Bank Signatory(ies)

- Certified copy of Passport
- Original/certified copy of proof of address, for example recent utility bill (dated less than 3 months)
- Original reference letter issued from a reputed bank where the individual has a private bank account. The letter is to state the date of account opening [more than 2 years] and that account has been maintained in a satisfactory manner
- Curriculum Vitae/ Professional profile.
- Proof of funds – A statement of account of the company should suffice.

### Corporates:

- Certified copy of Certificate of Incorporation
- Certified copy of Memorandum and Articles of Association / Constitution
- Certified copy of Register of Members
- Certified copy of Register of Directors
- Latest annual audited financial statements (two periods)
- Certificate of Incumbency and Good Standing or equivalent (less than 6 months old)
- Duly signed Board Resolution approving participation, appointment as director or/and mandating the representative of the Corporate shareholder/director
- KYC documents on any 2 directors of the corporate entity [please refer to the above list of documents for individuals
- KYC documents on all the individual beneficial owners of the corporate entity [ please refer to the above list of documents for individuals
- KYC documents on all the corporate shareholders of the corporate entity [ please refer to the above list of documents for Corporates. (if applicable)



## *Certified True Copy – Certifier Requirements*

The documents must be “Certified as a true copy” either handwritten or by way of a seal, including:

- The certifier’s name, address, and position or capacity together with contact details including his /her telephone number
- Signature of the certifier
- Date of certification

*This briefing is for informational purposes only and should not be construed as legal advice.*

*For further information, please contact:*

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