

KEY FACTS

NEVIS SUCCESSION TRUSTS

THE NEVIS SUCCESSION TRUST (NEST) IS A SIMPLE AND FLEXIBLE ESTATE PLANNING TOOL FOR HIGH-NET-WORTH FAMILIES SEEKING TO ACCESS SOME OF THE BENEFITS OF A TRUST WITHOUT THE ASSOCIATED COSTS OR RELINQUISHING DAY-TO-DAY CONTROL OF THE UNDERLYING ENTITY HELD BY THE TRUST.

A NEST holds only the shares of a Nevis corporation, with the Nevis corporation owning the financial and non-financial assets of the family. On the death of the settlor of the trust, the shares in the Nevis corporation are transferred directly to the beneficiaries of the trust with no probate process, and the trust is then terminated. The protector of the NEST can direct the trustee with regards to the shares of the Nevis corporation. In turn, the director of the Nevis corporation executes the investment decisions regarding the assets of the Nevis corporation.

NEST operates in a similar way to the BVI's long-established VISTA Trust and is an alternative, cost-effective choice for families seeking a short-form succession planning structure.

ESTABLISHMENT AND OPERATION OF THE NEVIS CORPORATION

- > The NEST is established to hold shares in a Nevis corporation. Please see our Key Facts on Nevis Corporations for further information about these entities.
- > The client acts as director of the corporation and manages the assets it holds. The client can make provision for the appointment of a successor director upon his or her death, through the corporation's bylaws.
- > Shareholders, directors, officers, managers, and members of a Nevis corporation can be of any nationality and reside anywhere.
- > A corporation formed in another jurisdiction may redomicile to Nevis.
- > No taxes are levied on Nevis corporations that have no permanent establishment in St. Kitts and Nevis and do not manage the corporation from there.
- > No financial returns need to be prepared or filed in Nevis, although appropriate books, accounting and corporate records must be maintained for no less than six (6) years.
- > The annual simplified tax return required of Nevis corporations is extremely simple compared to the economic substance filing requirements of comparative jurisdictions.
- > Beneficial ownership information of Nevis corporations is confidential.

OPERATION OF THE TRUST

- > The shareholder of the Nevis corporation is the settlor of the trust and contributes their shares in the corporation to the NEST, which is a Nevis revocable protector-directed trust. The NEST can only hold shares of a Nevis corporation and no other assets.
- > Trident Trust Company (Nevis) Ltd is a regulated Nevis trustee and acts as the independent trustee and custodian of the shares of the Nevis corporation.
- > As the trustee, it is the fiduciary duty of Trident Trust Company (Nevis) Ltd to transfer the shares held by the trust to the beneficiaries named in the trust deed upon the death of the settlor.
- > Once the shares of the Nevis corporations have been transferred to the beneficiaries as stipulated in the trust deed, the trust is terminated. The NEST is therefore only a suitable tool for passing wealth to one generation. It is not suitable for multi-generational estate planning.

- > The settlor can revoke the NEST arrangement at any point during their lifetime and take back ownership of the shares in the Nevis corporation.
- > The settlor can add or remove beneficiaries of the trust at any point during their lifetime.
- > The settlor is required to appoint a trust protector. The protector can be any individual or corporate entity. The protector's role is outlined in the trust deed.
- > The settlor cannot be the protector of the trust.

REQUIRED LEGAL ADVICE

Trident Trust does not provide legal, tax, or investment advice. All contents in this fact sheet are for general informational purposes only and do not constitute legal, tax, or investment advice. Professional advice from appropriate legal counsel must be taken before the formation of a Nevis corporation or NEST.

- ▶ PEOPLE LED
- ▶ TECH ENABLED
- ▶ GLOBAL COVERAGE
- ▶ TAILORED SERVICE

- ▶ 1,100 STAFF
- ▶ 25 JURISDICTIONS
- ▶ 47,000 ENTITIES
- ▶ \$177BN AUA

- ▶ FUNDS
- ▶ PRIVATE CLIENTS
- ▶ CORPORATE CLIENTS
- ▶ MARITIME

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