



The Bahamas Institute of Financial Services



Trustee Diploma

www.bifs-bahamas.com

Trustee Diploma Syllabus

COURSE OBJECTIVE

To provide participants with the basic knowledge and fundamental principles of Trust Law and Administration. The program is divided into two stages. Upon completion, participants will have a good knowledge of the Duties and Responsibilities of Trustees, the Rights of Beneficiaries, the Risks and Liabilities of Trustees and the ways in which those risks and liabilities may be eliminated or minimized.

Participants will also have a fundamental understanding of key administrative tasks required for the establishment of Trusts, opening of Trust Accounts, Administration of accounts, investments, Trust accounting and the process of Termination of Beneficiaries Interests and of Trusts in general.

Participants, upon completion will have a comprehensive knowledge and understanding of Modern Company Law and Administration, particularly as it applies to the Incorporation and Management of Offshore Private Companies. This subject encompasses the important differences between IBCs and Ordinary Companies. It fully explains the Rights, Duties and Responsibilities of Shareholders, Officers and Directors. Administrative and Legal aspects of Corporate Management and Termination as well as Jurisdictional Differences, Compliance and Risk on the local and international level are fully discussed. Participants will be required to complete assignments and to take stipulated exams. There will also be a final exam. The passing grade for the course is 70%. Participants are encouraged to complete the entire program, (i.e. Stages I & II). At the completion of Stage I, participants will be awarded a certificate of completion.

Upon completion of Stages I & II, a Trustee Diploma, will be awarded to participants who achieve a grade of seventy percent (70%) in both Stages.

Total classroom hours - Stage I - 44

Total assignments and review hours required - 30-40

Total classroom hours - Stage II - 88

Total assignments and review hours required - 60-80

Lecturers:

The Institute has secured a pool of highly qualified Practitioners from The Private Banking Sector to deliver the programme.

Who is eligible to register?

Stage I

Anyone who has had no formal training in Trust Administration.

Stage II

- ✦ Successful completion of Stage I
- ✦ Candidates who have not successfully complete Stage I, but feel they can adequately pass the final exam of Stage I are allowed to sit a challenge exam

Stage I

Fundamentals of Trust Law and Administration

- The Role of Trusts in International Financial Planning
- Legal and Political considerations for International Financial Jurisdictions
- General Review of International Financial Centers

Introduction To Trusts:

- History of Trusts
- Types of Trusts
- The role of Trusts in international wealth management
- Parties to a Trust
- Legal and Regulatory Controls over Trustees
- Benefits and Uses of Trusts

Rights of Beneficiaries

- Legal position of beneficiaries
- Information Rights
- Enforcement Rights
- Discretionary interests vs. Fixed Interests

Trustee Duties And Responsibilities

- Duties on acceptance
- Trustees rights to remuneration
- Administrative duties
- Investment duties
- Duty to Account

Trustee Duties And Responsibilities

- Trust Investment
 - Types of investments
 - Delegations
 - Risks and Rewards

Law on Trustees investing

Trustee Duties And Responsibilities

Class discussion of investments selected for case study
Accounting for Trusts

Trustee Powers

Settlor directed trusts
Administrative powers
Discretionary powers

Breach or Trust

Conditions of Breach of Trust
Liability for Breach of Trust

Trust Terminations

Calculation of beneficiary entitlements on termination
Trustees duties and liability at termination
Rights of trustees on termination

Attacks On Trusts

Rahman case
Forced Heirship cases

Risks And Regulations

Beneficiary tax issues
Regulatory risks - Money Laundering, Constructive Trustee issues
Regulatory supervision of Trustees
Individual Trust Officer considerations

FINAL EXAM - 3 HOURS

Stage II

Trust Law & Administration

Provides comprehensive advance training in the Practice of:

1. Trust Law and Administration.
2. Modern Company Law and Administration.

Part I - Modern Company Law and Administration For Offshore Private Companies

The Corporate Organization and Structure

- ✦ The Concept of Legal Personality
- ✦ The Organic Theory and Alter Ego Doctrine
- ✦ Piercing The Corporate Veil
- ✦ The Corporate Constitution and Incorporation of Companies

Promotion and Pre-incorporation Contracts

Corporate Management and Activities

- ✦ Nominee Shareholders and Beneficial Ownership
 - ✦ Directors Under Directions
 - ✦ Officers Under Orders
 - ✦ Constructive Notice and The Indoor Management Rule
- The Company In Good Standing

International Business Companies

- ✦ The International Business Company
 - ✦ Differences Between IBCs and Ordinary Companies
- Corporate Services for IBCs.

Offshore Company Management and Administration

- ✦ Managing Private Investment Companies
 - ✦ General Principles of Corporate Accounting
 - ✦ Corporate Investments and Activities
 - ✦ Jurisdictional Differences In Offshore Companies
- Liquidations and Terminations

Risk and Compliance

- ✦ Local And International Compliance
- ✦ Categories of Risk
- ✦ Risk Management And Protection

Part II

Trust Law and Administration

The Establishment of Offshore Trusts

- ✦ Pre-planning and the marketing of Offshore Trusts
- ✦ The Diverse uses and effects of Trust
- ✦ Pitfalls in the Preliminaries
- ✦ Files and Records
- ✦ The Client Factor

The Establishment of Trust Accounts

The Administration of Trust

- ✦ Communications with Internal and External parties
- ✦ Confidentiality and The Law
- ✦ Administering the Trust Fund
- ✦ The exercise of Discretion and Memorandum of Wishes
- ✦ Trust Advisors, Protectors and Agents

Systems and Procedures

The Management of Trust Assets and Investment

- ✦ Managing Special Assets

- ✦ Management and Administration of Trust Investments - Trust and Company Combinations
Conflicts and Threats to the Trust

Trust Accounting

- ✦ Law and Accounts
Presentation of Accounts

Jurisdictional Issues Affecting Offshore Trusts

- ✦ Forced Heirship Laws and Offshore Regulations
Jurisdictional Impediments to and Assaults against Offshore Trusts

Risk and Compliance

- ✦ Compliance with Local Regulations
- ✦ External Regulators and Trustee Compliance
- ✦ Internal Compliance Process
- ✦ Risks of Offshore Structures

Cost:

Stage I

- Members: \$1,200
- Non-members: \$1,400

Stage II

- Members: \$2,700
- Non-members: \$3,300

Grading System

Grade	Percentage %	MARK
A	95-100 %	DISTINCTION
B	86-94 %	MERIT
C	70-85%	PASS
FAIL	69 AND BELOW	FAIL