

ANGUILLA FOUNDATIONS FACT SHEET

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Overview

The Anguilla Foundations Act 2008 ("The Act") provides for the establishment of an Anguilla Foundation "for any purposes which are capable of fulfilment and are not unlawful, immoral or contrary to public policy".

Therefore an Anguilla Foundation may include any purpose for which a traditional type of trust may be created, whether charitable or non-charitable, or commercial purposes or any combination of such purposes.

Length of time to form a private foundation

Once the necessary due diligence procedures have been completed and the prospective initial endowment put in place an Anguilla Foundation can be established within a matter of hours. An Anguilla Foundation may be registered or deposited. A Foundation with commercial purposes must be registered.

In the case of a registered Foundation a copy of the declaration of establishment of the Foundation is placed on the register but is only open to limited inspection other than by the registered agent. Where confidentiality is desired the names of the beneficiaries can be included in the by-laws which can be adopted and amended at any time.

In the case of a deposited Foundation the declaration of establishment must be deposited by the registered agent with the registrar together with the prescribed fees. The registrar may only disclose information on a deposited Anguilla Foundation on request by the registered agent.

Legal Personality

The Anguilla Foundation has the status of a separate and independent legal person in its own right either from the

date of its registration or from the date of acceptance of the deposit of its declaration of establishment.

Costs of and fees for forming a private foundation

Fees for forming a Foundation will vary according to the fee scale of the registered agent concerned. Such fees are agreed in advance on a case by case basis depending upon the complexity of the work undertaken, the time spent, the value of the initial property endowment and the anticipated number of transactions. The Government fees are between US\$500 and US\$700 for the registration with an annual fee of US\$500. The minimum capital required to establish a Foundation is US\$10,000.

Key Highlights

- The concept of a Foundation may be more familiar to people doing business in Latin America.
- The Anguilla Foundation provides greater security and / or flexibility than the alternatives.
- An Anguilla Foundation may also engage in trade.
- Joint venture provisions can also be incorporated within the framework of the by-laws of the Foundation without the need for a separate joint venture Agreement.
- The Anguilla Foundation Act seeks to provide protection from claims such as forced heirship and claims arising in foreign jurisdictions such as claims made in foreign divorce proceedings.
- Further, the Founder may, in the declaration of establishment, reserve to himself virtually any right he wishes regarding amendment of the by-laws. This will require careful drafting of the declaration of establishment.



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