



**SECOND GENERATION
US BENEFICIARIES**

A PROBLEM SOLVED

www.2gusb.com



The Winterbotham Trust Company Limited

IN PARTNERSHIP WITH

IPG



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SERVICES

THE WINTERBOTHAM TRUST COMPANY LIMITED

This booklet is the solution to many international families' needs as they - and the institutions that serve them - grasp the significance of FATCA and the impact it is likely to impose on their existing trusts and succession plans.

Winterbotham is headquartered in The Bahamas and is dedicated to providing tailor-made financial and fiduciary services to entrepreneurs, their families and advisors worldwide. Winterbotham works closely with financial institutions and other service providers to develop and implement the very best tried and tested solutions for its clients. Winterbotham is a fully licensed and regulated bank and trust company in The Bahamas and is a specialist provider of bespoke trustee services and the demanding administrative support such services demand.

IPG is an estate, inheritance planning and family office consultancy, assisting professional intermediaries in the structuring of their clients' affairs. IPG's services are bespoke, client-driven and confidential – essential ingredients demanded by today's wealthy families who hold many highly diversified assets and interests. IPG determines how to optimise the structuring of each family's cross-border holdings thereby ensuring their proper management, both for the present and for the long term.

2GUSB is a prime example of Winterbotham and IPG's innovative approach - firstly to identifying the problem and then providing the solution in an intelligible and coherent manner – and all housed in one user-friendly booklet. The solution is supported by legal advice from eminent Bahamian and United States counsel.

Winterbotham is located in The Bahamas, Uruguay and Hong Kong and IPG has offices in The Bahamas and Switzerland.

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Winterbotham offers a comprehensive range of trust administrative services to its clients, be they individuals, families or corporations. With \$1.5 billion in trust assets under administration, Winterbotham has a wealth of experience in advising on and establishing a wide variety of trusts, each one tailored to address a number of specific needs. Winterbotham provides full trusteeship and professional trust administration services to all its relationships and devotes the care and attention that each one demands. The objectives of Winterbotham's trust and company structures vary greatly, but include:

Trust Objectives

- Personal and family estate planning and succession
- Protection of personal or family assets
- Managing spendthrift family members
- Being the beneficiary of a life insurance policy
- Providing medical care for family members
- Facilitating charitable contributions in a confidential manner
- Holding shares in private operating companies
- Holding and managing investment portfolios
- Holding and managing other personal assets (e.g. cars, yachts, planes, art collections)

Company Objectives

- Owning operating assets:
 - product and raw material stocks
 - real estate
 - machinery
 - intellectual property
- Owning financial assets:
 - cash and securities
 - accounts receivable
- Acquiring and providing custody for securities representing securitized assets
- Sale or purchase of shares of private companies and M&A transactions
- Escrow arrangements
- Pension and employee benefit plans
- Investment funds for unit trusts

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Winterbotham in The Bahamas acts as trustee of the 2GUSB trusts and is responsible for all daily management and administrative needs.

IPG GROUP LIMITED

IPG is an estate, inheritance planning and family office consultancy, assisting professional intermediaries in the structuring of their clients' affairs. IPG's services are bespoke, client-driven and confidential – essential ingredients demanded by today's wealthy families who hold many highly diversified assets and interests. IPG determines how to optimise the structuring of each family's cross-border holdings, thereby ensuring their proper management, both for the present and for the long term. IPG structures its solutions to suit very specific needs. IPG's core services include:

- Family Office Services
- Private Trust Companies
- Trustee Services
- Trust Consultancy
- Protector Services
- Company Administration
- Private Foundations
- Executive Entities

FATCA AND THE IMPLICATIONS

The Foreign Account Tax Compliance Act (FATCA) was enacted in March 2010 by US Congress and its impact on many current international trust structures is going to be severe. The central theme of the new Act is to ensure that US tax payers throughout the world are held accountable for US tax no matter where they reside or where the income is earned. In order to achieve this objective, the law has introduced the concept of a "Foreign Financial Institution" (FFI), which is a bank, broker or similar institution situated abroad. To avoid withholding on funds received for its own or client accounts, each FFI will have to register with the US Internal Revenue Service (IRS) and comply with stringent reporting and withholding requirements.

So how does this affect trusts? By nature of their business, nearly all professional trust companies performing trustee services (wherever in the world they are situated) will be designated as FFIs. One of the first things they must do is to ascertain which of the many trusts they administer are also FFIs in their own right too.

According to US tax principles, a trust is either a US Grantor Trust or a Non-Grantor Trust. Income earned by a US Grantor trust will be reported on the grantor's tax return and will not be affected by FATCA. However, a foreign Non-Grantor Trust is more severely affected.

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Foreign Non-Grantor Trusts holding bankable assets and investments will be designated FFIs in their own right and will either have to enter into an agreement with the IRS or incur a 30% withholding penalty - not only on US sourced income, dividends and other similar income, but also on the gross proceeds of the sale of the associated assets, stocks etc. The agreement will cover the filing of information on US tax paying beneficiaries and will also extend to submitting details of non-US beneficiaries of the non-grantor trust.

Trusts / beneficiaries that choose not to disclose all the relevant information to the IRS will not have their personal details disclosed and initially they will have the 30% withholding regime imposed on them. Eventually, however, they will be required to close their account(s) with the FFI.

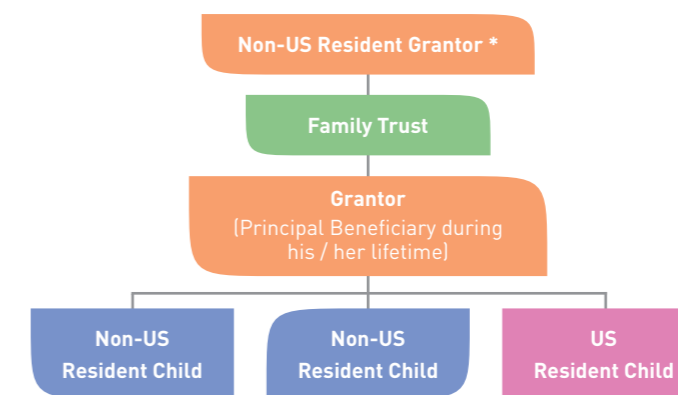
For many families the prospect of the 30% withholding on US income and asset sales will be too much to bear and in any case it is only a short term option. On the other hand, disclosing information and filing reports to the IRS on their trusts' affairs and their interested parties will be unpalatable too and in the eyes of many unreasonable. Such families, and their trustees, will be keen to find some sort of compromise - or indeed a solution.

THE 2GUSB SOLUTION

Many of today's international trust structures have beneficiaries with a wide variety of domiciles with differing tax and reporting obligations. The arrival of FATCA has severe implications for many of these structures and it is especially important to ascertain whether any second generation beneficiaries have US tax exposure or reporting obligations. Should any such person be identified within a structure, remedial measures are recommended.

A typical trust structure today may look something similar to this:

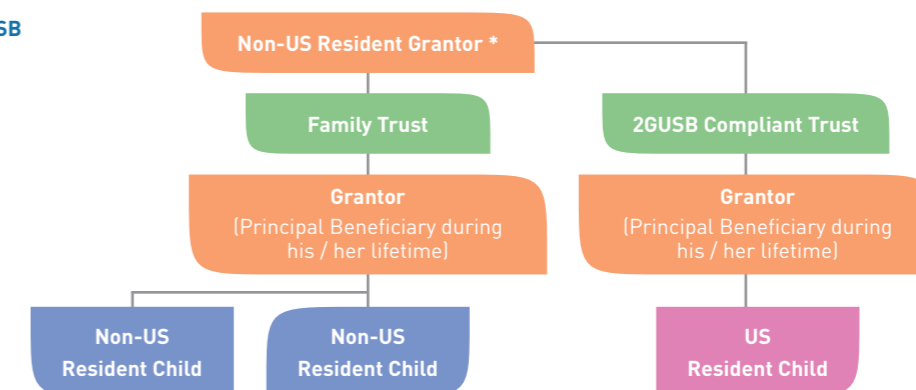
Before 2GUSB



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Under FATCA the above structure will qualify as a "Foreign Financial Institution" (FFI) and depending on where it is managed is likely to be obliged to enter into an agreement with the IRS or incur a 30% withholding penalty. The 2GUSB solution provides for a new standalone tax compliant trust structure for the ultimate benefit of the US child(ren) and remoter issue of non-US tax resident Grantors. 2GUSB is a Grantor trust established in The Bahamas specifically for the Grantor's children born or living in the US. This enables the Grantor to focus the family's US estate and inheritance planning needs within an internationally recognized and US compliant solution.

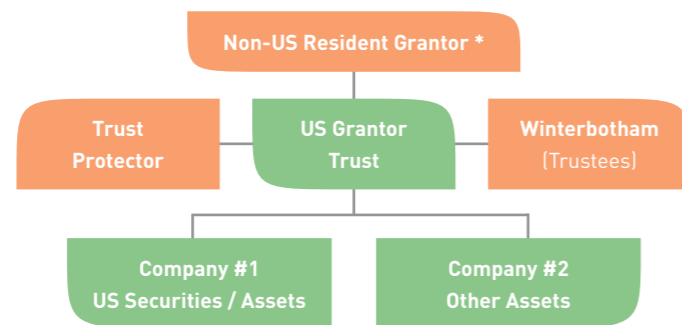
After 2GUSB



If deemed desirable in the future, the 2GUSB Grantor trust can be redomiciled from The Bahamas to a favourable US State, in accordance with the laws prevailing at that time.

* The Non-US Resident Grantor must also be a Non-US Citizen / passport holder

TRUST STRUCTURE



* The Non-US Resident Grantor must also be a Non-US Citizen / passport holder

The 2GUSB solution comprises a US Grantor trust established under Bahamas trust law by a non-US Resident Grantor. As trustees of the trust, Winterbotham are responsible for managing and maintaining the trust and for ensuring the entire structure is administered correctly. The trust's assets are held by one of two Bahamas registered companies depending on the nature of those assets. All US securities and other US situated assets are held by Company #1 and all other assets are held by Company #2.

The 2GUSB solution also includes a Protector who is chosen by the Grantor and whose powers are defined in the trust deed. The powers include removing and appointing new trustees; changing the governing law of the trust and its place of administration; acting in the event of the Grantor's incapacity and varying the terms of the trust.

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GLOSSARY OF 2GUSB TERMS

Grantor	Person who creates a trust by completing and signing a written trust deed and who transfers assets into the trust.
Trustees	Company responsible for the administration and maintenance of the trust structure.
Protector	Person chosen by the Grantor and whose powers are defined in the trust deed.
Trust Deed	Document signed by the Grantor and the Trustees governing how the trust will be administered and on whom certain powers are bestowed.
Beneficiaries	Persons, usually family members, who are expected to benefit under the terms of the trust.



The Winterbotham Trust Company Limited

UNDERSTANDING THE TRUST OPTIONS

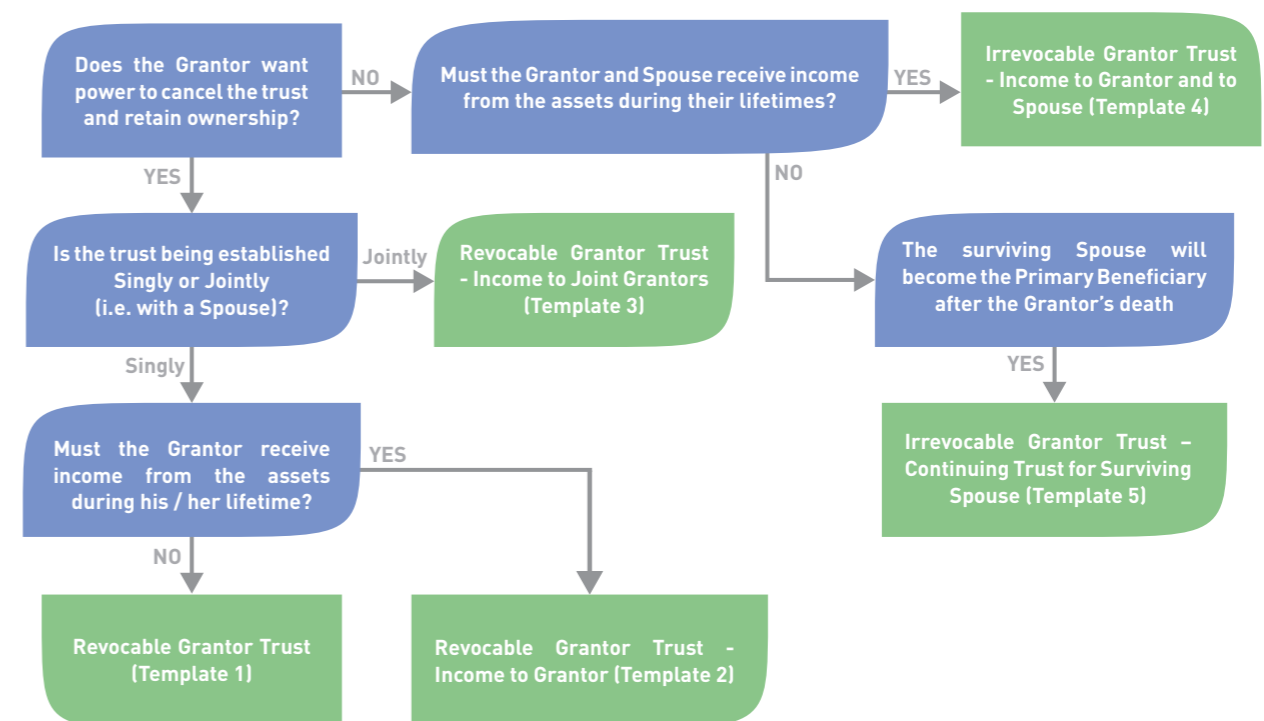
AND MAKING THE RIGHT SELECTION

2GUSB provides five trust templates to suit different preferences and circumstances. The five are:

- 1) Revocable Grantor Trust
- 2) Revocable Grantor Trust – Income to Grantor
- 3) Revocable Grantor Trust – Income to Joint Grantors
- 4) Irrevocable Grantor Trust – Income to Grantor and to Spouse
- 5) Irrevocable Grantor Trust – Continuing Trust for Surviving Spouse

As a guide to finding the most suitable solution for each case, we have devised a number of questions for navigating to one of the options mentioned above.

Matching the right trust with personal requirements



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“Revocable Grantor Trust”: A trust whereby provisions can be altered or cancelled with powers given to the Grantor(s) and the assets are then paid back to the Grantor(s). During the life of the trust, income earned can be paid to the Grantor(s) and after his / their passing the assets transfer to the Grantor's children.

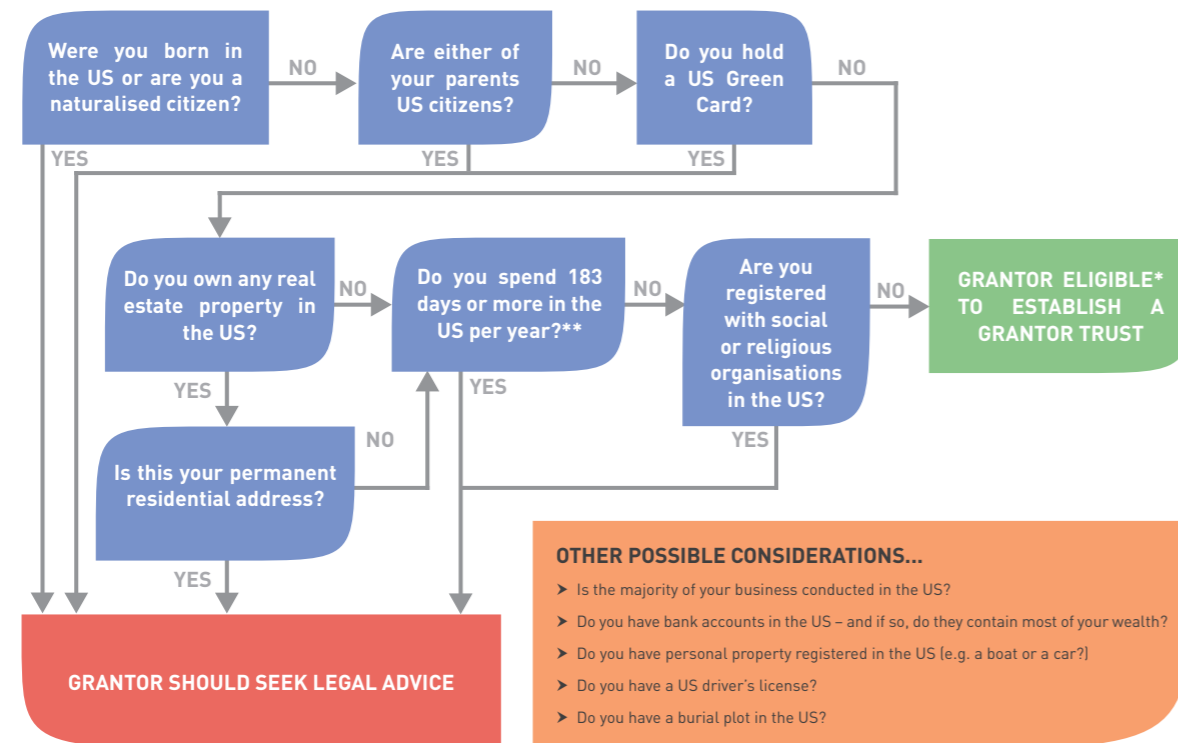
“Irrevocable Grantor Trust”: A trust which cannot be modified or cancelled by the Grantor(s). The Grantor, having transferred assets into the trust, ceases to have rights of ownership to the assets. The Grantor is the principal trust beneficiary, to whom assets can be paid during his / her lifetime. Income earned can continue to be paid to the Grantor(s) until their passing, whereupon the assets pass to the children.

THE US PERSON TEST

As we have seen in "FATCA and The Implications", the central theme of the new Act is to ensure that US tax payers throughout the world are held accountable for US tax no matter where they reside or where the income is earned. Whilst the focus of this (within the context of 2GUSB) is primarily on the second generation beneficiary, it is also important to test the credentials of trust settlors or grantors to ensure they are eligible to establish a US Grantor trust. To establish a US Grantor trust compliant with current US tax law, it is essential that the Grantor is a non-US person.

If the current status of the Grantor within a trust structure is unknown, we have devised a test to determine which persons are likely to be classified as being US persons / tax payers under the US tax principles and which may not. The test is by no means exhaustive and should be treated with a certain degree of caution, but it does contain many of the criteria by which individuals are commonly caught by the provisions of US tax law.

US Person Test



* Eligibility can only be fully confirmed upon completion of the 2GUSB Trust Acceptance Form.

** **Substantial U.S. Presence Test.** Under the general rule for U.S. tax residency, foreign nationals are "substantially present," in the United States if they are present for at least 31 days in the current calendar year, and their U.S. days over 3 calendar year equal or exceed 183 days based on a formula. The 183-day formula considers all of the U.S. days in the current calendar year, plus 1/3 of the U.S. days in the prior year, plus 1/6 of the days in the year before the prior year. Foreign nationals whose presence in the United States satisfies the substantial formula are resident aliens and taxed like U.S. citizens.

We emphasise that our US Person Test is indicative only and for a definitive verdict an opinion from US tax counsel would need to be obtained.

The questions posed within the US Person Test can also be addressed to a second generation trust beneficiary to indicate their own US tax status (with the same caveats emphasised above still applying).



BAHAMAS TRUSTS AND THEIR ATTRACTIONS



Bahamas trust law draws on its historical links with England and English common law and its equitable principles. However, with the introduction of a number new statutes passed by its parliament, Bahamas trust law has evolved in a number of very interesting ways – so much so that today it has become one of the most attractive trust jurisdictions in the world.

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The principal trust and trustee related laws enacted in The Bahamas are:

- Trusts (Choice of Governing Law) Act, 1989
 - Trustee Act, 1998
 - The Banks and Trust Companies Regulation Act, 2000
- Purpose Trust Act, 2004
 - Private Trust Companies 2006
 - Rule Against Perpetuities Abolition Act, 2011

Some of the key features that are available to trusts and settlors created under the law of the Bahamas include:

- Settlor can retain selected powers during his lifetime:
 - revoke the trust; direct or delegate investment powers; amend the trust; add or remove trustees, beneficiaries or protectors; powers over holdings in underlying companies or specific assets.
- Trusts created after 2011 may last indefinitely (i.e. they have no perpetuity period)
- The office of Protector is formally recognised under the Trustee Act
- Strong asset and creditor protection safeguards (e.g. creditors must bring an action within two years)
- Bahamas trust law prevails over foreign forced heirship laws
- No income tax, capital gains tax, estate tax or inheritance tax is payable under Bahamas law
- Statutory provisions for Private Trust Companies
- Statutory provisions for Purpose Trusts
- Strong statutory regulation of Trust Companies



THE WINTERBOTHAM TRUST COMPANY LIMITED ("WINTERBOTHAM")

TRUST ACCEPTANCE FORM (2GUSB)

(Not for completion by US citizens or residents)

Please complete each SECTION of this form in BLOCK CAPITALS

SECTION A

A1. Personal Details

Proposer				
Title (Mr/Mrs/Ms/Other)				
Family Name				
First Name(s)				
Full Residential Address				
City			Post/Zip Code	
Country				
Date of Birth	DAY / MONTH / YEAR			
Place of Birth				
Marital Status				
Nationality(ies)				
Passport(s) / ID Number(s)				
Passport / ID Issuing Country(ies)			Passport / ID Document Expiry Date(s)	DAY / MONTH / YEAR
Residential Telephone/ Telefax / Email	Phone		Fax	Email

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I hereby undertake to advise Winterbotham in a timely manner of all changes in my place of residence or citizenship or of any other changes to the Personal Details above.

- Please ensure that legible photocopies of all valid passport(s) or ID cards(s) of the Proposer, independently certified as true copies of the originals, are included with this Acceptance Form. Please see SECTION C4 for further details.
- Please ensure all nationalities of the Proposer are stated
- Please attach the original or an independently certified true copy of a utility bill, a credit card statement or some other document that verifies the Proposer's residential address and which is dated within the last three months.

Have you any US connections? Please check wherever applicable.	<input type="checkbox"/> US citizen (wherever resident)	<input type="checkbox"/> US real estate owner
	<input type="checkbox"/> Resident Alien in the USA (green card holder)	<input type="checkbox"/> Born in the USA
	<input type="checkbox"/> US residence or correspondence address	<input type="checkbox"/> US tax payer
	<input type="checkbox"/> US hold mail or c/o address	<input type="checkbox"/> Spouse of a US person
	<input type="checkbox"/> Other (please explain here)	<input type="checkbox"/> Habitual visitor to the US
	<input type="checkbox"/> Power of attorney granted to US resident	
If No to all of these, please check the box:	<input type="checkbox"/> No, I do not have - and never have had - a US connection I hereby agree to notify Winterbotham in writing within thirty (30) days of my taking actions which may result in me having a US connection.	

Proposer to initial here

A3. Details of all Family Members

► If the Proposer is married, please use Box S for details of the spouse

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	S	Family Member (1)	Family Member (2)	Family Member (3)
Title (Mr/Mrs/Ms/Other)				
Family Name				
First Name(s)				
Full Residential Address (if different from Proposer's address)				
City				
Country				
Date of Birth				
Place of Birth				
Nationality(ies)				
Marital Status				
Passport(s) / ID Number(s)				
Passport / ID Issuing Country(ies)				
Passport / ID Document Expiry Date(s)				
Business Occupation				
US Taxation Status (e.g. Green Card, US Citizen / None)				
US Tax ID No. (if none, please state 'NONE')				
Name of Tax / Legal Advisors (if applicable)				
Address of Tax / Legal Advisors (if applicable)				
Relationship to Proposer				

A3. Details of all Family Members (cont.)

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	Family Member (4)	Family Member (5)	Family Member (6)
Title (Mr/Mrs/Ms/Other)			
Family Name			
First Name(s)			
Full Residential Address (if different from Proposer's address)			
City			
Country			
Date of Birth			
Place of Birth			
Nationality(ies)			
Marital Status			
Passport(s) / ID Number(s)			
Passport / ID Issuing Country(ies)			
Passport / ID Document Expiry Date(s)			
Business Occupation			
US Taxation Status (e.g. Green Card, US Citizen / None)			
US Tax ID No. (if none, please state 'NONE')			
Name of Tax / Legal Advisors (if applicable)			
Address of Tax / Legal Advisors (if applicable)			
Relationship to Proposer			

Proposer to initial here

Proposer to initial here

A4. Communication

Please state the preferred means of communication	Email	Mail	Fax	Courier
Additional communication preferences				
Should Winterbotham always telephone prior to sending above?	YES / NO			
If NO, please state name of the contact person (and also supply their details as below)	1.			
Full Residential Address				
City	Post/Zip Code	Country		
Telephone / Telefax	Phone	Fax	Email	
Nationality(ies)				
Date of Birth	DD / MM / YYYY			
Passport / ID Number(s)	Passport / ID Document expiry date(s)			
Passport / ID Issuing Country(ies)				
If NO, please state the person's relationship (e.g. lawyer, tax advisor etc.) to the Proposer	Specimen signature of the contact person			

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- ▶ If Box 1. above has been completed, please ensure that legible photocopies of all valid passport(s) or ID cards(s) of the contact person, independently certified as true copies of the originals, are included with this Acceptance Form. Please also attach the original or an independently certified true copy of a utility bill, a credit card statement or some other document that verifies the contact person's residential address and which is dated within the last three months. Please see SECTION C4 for further details.

A5. Mail Directions

- ▶ All originals of mail from the Trust or underlying company account(s) from their respective banks will be sent to the Trustees
- ▶ If the service is available, the Trustees can instruct the respective banks (upon request below) to send additional copies of transaction documents, bank statements, portfolio statements and mail to the address stated below (subject to the bank's regulations and remuneration.)

<input type="checkbox"/>	Please arrange for copies to be sent to: (see below)			
Contact Name				
Full Address				
City	Post / Zip Code	Country		
Telephone / Telefax	Phone	Fax	Email	

Proposer to initial here

SECTION B

B1. Bahamas Trust name

First Choice	The		Trust / Settlement
Second Choice	The		Trust / Settlement
Third Choice	The		Trust / Settlement

B2. Bahamian Trust Instrument (choose required template – or go to B3. below)

<input type="checkbox"/>	Revocable Grantor Trust (Template 1)	<input type="checkbox"/>	Irrevocable Grantor Trust - Income to Grantor and to Spouse (Template 4)
<input type="checkbox"/>	Revocable Grantor Trust - Income to Grantor (Template 2)	<input type="checkbox"/>	Irrevocable Grantor Trust - Continuing Trust for Surviving Spouse (Template 5)
<input type="checkbox"/>	Revocable Grantor Trust - Income to Joint Grantors (Template 3) *	* If selected, please note this Trust Acceptance Form must be completed by each Grantor (as Proposer)	

- ▶ Each page of the selected Template must be initialed by the Proposer and be submitted with this Trust Acceptance Form.
- ▶ Templates 2, 3 & 4 – Income will be paid into the Proposer's account with Winterbotham, unless the Proposer submits written instructions to the contrary.

B3. Trust sourced externally

<input type="checkbox"/>	Externally Drafted Tailor-made Trust*	<input type="checkbox"/>	Existing Trust with another Trust Company*
Law Firm		Company	
Contact Name		Contact Name	
Address		Address	
Telephone		Telephone	
Email		Email	

* Winterbotham will need to review the deed and take appropriate advice prior to accepting the Trust. Any charges incurred will be added to Winterbotham's Acceptance Fee.

B4. Subsidiary Companies

- ▶ Two companies are required: (1) to hold US securities and (2) to hold other assets. Both will be direct subsidiaries of the Trust

Proposed Name (1) [first choice]			
Proposed Name (1) [second choice]			
Proposed Name (2) [first choice]			
Proposed Name (2) [second choice]			
If none of the above names is available, Winterbotham to choose alternative(s)?	YES / NO		
Jurisdiction will be The Bahamas (unless stated otherwise)	ONLY COMPLETE IF NECESSARY		
Authorised Share Capital - Winterbotham's standard minimum for jurisdiction?	YES/NO	If NO (please state)	

- ▶ In all cases Winterbotham provides or procures the directors and company secretary to manage the companies.

Proposer to initial here

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B5. Beneficiaries (US persons who are to benefit from the trust)

- ▶ If a Beneficiary is a person repeated from an earlier SECTION, please complete only where marked *
- ▶ Please ensure that legible photocopies of all valid passport(s) or ID cards(s) of each Beneficiary, independently certified as true copies of the originals, are included with this Acceptance Form. Please see SECTION C4 for further details.
- ▶ If any of the beneficiaries is a minor and no passport has been issued, please enclose a photocopy of their birth certificate, independently certified as a true copy of the original. Please see SECTION C4 for further details.
- ▶ Please attach the original or an independently certified true copy of a utility bill, a credit card statement or some other document that verifies the Beneficiary's residential address and is which dated within the last three months (not applicable if a minor). Please see SECTION C4 for further details.

	Beneficiary (1)	Beneficiary (2)	Beneficiary (3)
Title (Mr/Mrs/Ms/Other)			
Family Name*			
First Name(s)*			
Full Residential Address (if different from Proposer's address)			
City			
Country			
Date of Birth			
Place of Birth			
Nationality(ies)			
Marital Status			
Passport(s) / ID Number(s)			
Passport / ID Issuing Country(ies)			
Passport / ID Document Expiry Date(s)			
Business Occupation			
US Taxation Status (e.g. Green Card, US Citizen / None)			
US Tax ID No. (if none, please state 'NONE')			
Name of Tax / Legal Advisors (if applicable)			
Address of Tax / Legal Advisors (if applicable)			
Relationship to Proposer			
Beneficiaries to benefit per stirpes? (see below *)	YES / NO	YES / NO	YES / NO

* "Per stirpes" here means that if one of the US Person Beneficiaries mentioned above dies, then his (or her) share is divided equally between his children and so on down the generations. This also means, for instance, that spouses of beneficiaries will be excluded. If the beneficiary dies childless, his entitlement will be divided equally among his siblings.

Proposer to initial here

B6. Protector (complete either (A) for a corporate protector or (B) for a natural person. Then complete (C))

Is a Protector required?	YES	NO	If YES, please complete this SECTION (B6) If NO, please proceed to the next SECTION (B7)
(A) Company name			
Contact name			
Company address			
Telephone / Telefax	Phone		Telefax
Email			
(B) Title (Mr/Mrs/Ms/Other)			
Family Name			
First Name(s)			
Full Residential Address			
City			Postal / Zip Code
Country			
Date of Birth	DD / MM / YYYY		Place of Birth
Nationality(ies)			
Occupation / Profession			
Passport / ID Number			
Passport / ID Issuing Country(ies)			
Passport / ID Document Expiry Date(e)			
Telephone			Email
Protector's relationship to the Proposer			
(C) Protector powers – please state the desired powers here: (only complete if B3 was selected above)			
Specimen signature (if available)			

- ▶ (A) Corporate Protector - please submit a copy the Company's Certificate of Incorporation and Memorandum and Articles of Association.
- ▶ (B) Natural Person - please submit a legible photocopy of the valid passport or ID card of the above-named person, independently certified as a true copy of the original. Please see SECTION C4 for further details.

B7. Accounts, Auditors and Independent Review

The reporting currency will be	USD	
Financial Year End (accounts will be prepared annually)	Calendar Year End?	YES / NO
Will the annual accounts require an independent audit?	YES / NO	If YES please provide the details of the auditors here:

- ▶ An Independent Review is carried out periodically to ensure compliance with US tax and legal principles

Proposer to initial here

B8. Banking and Investment Management

Name and address of Bank			
Contact Name			
Telephone Number	Email		
Currency(ies) required			
Approximate amounts to be transferred			
Name of Remitting Bank			
Address			
Investment Manager	The above-named Bank	YES / NO	
	The Proposer	YES / NO	
	Other Investment Manager	Name	
		Address	
Other investment needs for the new account(s) (e.g. portfolio management, risk profile etc.)			
Non-Bankable Assets (please describe the nature and values of all non-bankable assets being transferred to the new structure)			

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- If more than one bank account is required, please photocopy Section B8 and complete accordingly
- If the assets above are contained in an ownership structure, please attach the ownership structure to this Trust Acceptance Form together with the statutory documentation of the entity(ies).

SECTION C

Due Diligence

C1. Assets being transferred to the Trust structure

Origin of assets	<input type="checkbox"/> Gift/inheritance <input type="checkbox"/> Sale of business	<input type="checkbox"/> Investment profits <input type="checkbox"/> Professional earnings	<input type="checkbox"/> Sale of real estate <input type="checkbox"/> Other (please describe below)
Please also describe how and where the above assets were acquired and from whom			
Description or form in which assets are being transferred to the entity(ies) managed by Winterbotham			
Envisaged level of financial activity	Assets in and out	AMOUNT / ASSET VALUE	Frequency <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Annually <input type="checkbox"/> Other:

(if more space is required, please photocopy this page and complete accordingly)

Proposer to initial here

C2. Business and Financial Background of the Proposer

- Please enclose a current Curriculum Vitae / Business Profile when submitting this Acceptance Form

Professional Background (qualifications, career etc.)				
Employment	Salaried	YES / NO	Self-employed	YES / NO
			Non-employed	YES / NO
Occupation			Position or rank	
Business Contact Details	Telephone			Email
Name of Company			Nature of Business	
Company Address				
Countries where Company operates				
If retired, date of retirement	DAY / MONTH / YEAR			
Annual income	<input type="checkbox"/> \$0 - \$250,000	Source(s):		
	<input type="checkbox"/> \$250,000 - \$500,000			
	<input type="checkbox"/> more than \$500,000			
Estimated overall net worth	<input type="checkbox"/> \$0 - \$2.5 million	<input type="checkbox"/> \$2.5 - \$10 million	<input type="checkbox"/> \$10 - \$25 million	<input type="checkbox"/> more than \$25m
Political activities* (last five years)				

* (please also include details of a significant connection with any politically exposed person in the last five years)

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C3. Referees.

- To satisfy modern day due diligence requirements, please attach both a current banking reference **and** a commercial / personal reference letter. Otherwise, Winterbotham may contact the following firms as your referee and you are hereby granting permission for them to do so.

Reference Letters attached?	YES / NO	
If NO, please complete below:		
1. Bank Contact Name		
Company		
Address		
City	Postal / Zip Code	
Country		
Telephone	Email	
2. Other Contact Name		
Company		
Address		
City	Postal / Zip Code	
Country		
Telephone	Email	

Proposer to initial here

C4. Certification of Documentation

Certifications must be made by a Winterbotham officer, a bank officer, or other professional, e.g. an accountant, attorney at law, corporate service provider or Notary Public. The copy should bear the stamp of the individual or entity confirming the document, the date and the following statement (adapted accordingly) **"I certify this to be a true copy of the original document which I have before me (and that the photograph is a true likeness of the person being identified)".**

The Proposer needs to:

- attach a certified copy of their passport(s) or other permanent government issued ID document showing (i) discernable photo (ii) number & country of issuance (iii) issue date and expiry date (iv) signature of the Proposer.
- attach a certified copy of a recent utility bill or bank / credit card statement or other document verifying the home address stated in Section A1. (Numbers on bank or card statements may be concealed)

D1. Declarations and Undertakings

1. Encumbrances. I confirm and declare that:

- I am the beneficial owner of the assets to be transferred to Winterbotham and / or the trust structure, and that I am not acting on behalf of any other person.
- I am not bound by a marital contract or other agreement that inhibits in any way my freedom to settle assets on a trust as described herein
- inheritance and forced heirship rules to which I am subject do not inhibit my desire to dispose of my assets as described herein
- all these assets are free from any other restrictions or encumbrances
- these assets are not derived from criminal acts.

2. Solvency. I hereby declare that I am solvent and remain able, after funding the trust with the assets described herein, to meet any current or foreseeable financial obligations and that I have no intention hereby to reduce my creditors' rightful claims.

3. Independent Advice. I hereby confirm that Winterbotham has recommended that I consult an independent professional legal and/or tax counsellor concerning the proposed arrangements and the documentation relating to such arrangements. I further confirm that I am not relying on any representations made by Winterbotham as to the tax and/or legal aspects which may result from the business proposed or as to any activities that may be undertaken as a consequence. I understand that I have an obligation to comply with the laws and regulations of my country of citizenship or residence.

4. Independent Verification. I hereby authorise Winterbotham, its nominees, affiliates, and / or its directors and officers to obtain independent verification of any information that I have provided with respect to my application to open an account and/ or to carry out any business transaction or other business with Winterbotham.

5. Correct Information. I declare that the information provided in this form and the documentation attached is true and correct.

Proposer to initial here

6. Fees. I have reviewed and initialled the Schedule of Fees (Appendix 1) and am agreeable to the rates chargeable.

7. Terms and Conditions of Business. I have read, understood and initialled the Terms and Conditions of Business (Appendix 2)

8. Request to proceed. Upon receipt of satisfactory references, I request that Winterbotham proceeds with the formation of the trust and the two companies, although I fully accept that Winterbotham is under no obligation to do so. I hereby confirm that the undertakings and comments given herein to Winterbotham shall be irrevocable and remain valid and correct until Winterbotham terminates its involvement with the trust structure and its companies.

PROPOSER	
Signature	
Place	Date DAY / MONTH / YEAR

Thank you for your time and patience in completing this form. We greatly appreciate it.

Proposer to initial here



Appendix 1 - SCHEDULE OF FEES



Appendix 2

**The Winterbotham Trust Company Limited
Terms and Conditions of Business
(2GUSB)**

24	<p>Acceptance, Formation and Incorporation</p> <p>The fee includes discussions with the Settlor and his legal advisors; the duties to be carried out prior to acceptance / formation; the settlement of the trust; the incorporation of two Bahamas companies and any disbursements incurred.</p> <p>Fee in advance: 50 basis points on gross value of the trust assets – Minimum.....</p> <p>Annual Trustee and Management</p> <p>The fee includes the annual trustee and company management fees for two Bahamas companies; the provision of directors and company secretary; the registered office and agent fees; the annual Bahamas government fee for two companies; the provision of the requisite accounting services for the structure and maintaining the structure in good legal standing in The Bahamas.*</p> <p>Fee per annum: 50 basis points on gross value of the trust assets – Minimum.....</p> <p>Other Fees</p> <p>Independent Review. To ensure the efficacy of the structure according to prevailing US tax and other regulations, an Independent Review will be carried out and a Report made to the Trustees by a US professional firm. The cost of such is borne by the structure and no additional fee is charged by Winterbotham.</p> <p>Retirement and Termination</p> <p>The fee includes retirement as trustee, the appointment of a successor trustee or the termination of the trust structure. Disbursements incurred will be passed on at cost.....</p> <p>Other Costs</p> <p>Time spent by Winterbotham staff working outside the scope of this Schedule of Fees will be charged on an hourly basis** and disbursements incurred will be passed on at cost</p>	<p>USD</p> <p>USD 10,000</p> <p>USD 10,000</p> <p>USD 5,000</p> <p>+ time spent</p> <p>Variable</p>
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*The Annual Trustee and Management Fee presumes that reasonable use of the structure is made as described in the initial sales and acceptance literature. If the structure engages in activities beyond such reasonable use or requires restructuring, Winterbotham reserves the right to increase its fee accordingly.
 **Rates available on request

WWW.2GUSB.COM

These terms and conditions of business relate to every trust and/or company ("the Entity") listed in The Schedule hereto, and to any other entity which is added to The Schedule and is administered or will be administered by **The Winterbotham Trust Company Limited** registered in The Commonwealth of The Bahamas or one of its associated companies (collectively called "Winterbotham") at the request of the Proposer.

The Proposer in executing this booklet confirms, acknowledges, declares, agrees and undertakes (as the case may be) as follows:

- Should a conflict arise between (i) the terms of the governing instrument of the Entity, (ii) the terms and conditions of agreements concluded in writing with the Proposer, and/or (iii) these present terms and conditions of business (the "Terms"), the following shall apply: (a) The terms of the governing instrument of the Entity shall prevail over both the terms and conditions of agreements concluded in writing with the Proposer, and these Terms, and (b) the terms and conditions of agreements concluded in writing with the Proposer shall prevail over these Terms.
- Winterbotham may at its discretion, accept from the Proposer, or from any person nominated in writing by the Proposer, advice and recommendations which it believes to be genuine whether received orally (including by telephone) or by letter (including telefax and email) and the Proposer shall through the Entity or otherwise bear any loss or damage which results from the reliance by Winterbotham upon any false, forged or otherwise legally deficient advice or recommendation from the Proposer or from any person nominated by the Proposer as aforesaid; and further the Proposer shall bear any loss or damage due to any transmission by post, telephone, telefax, email or any other mode of communication being lost, delayed, misconstrued, mutilated, duplicated or otherwise adversely affected, except that these conditions shall not apply where there will have been wilful misconduct or gross negligence by Winterbotham.
- Winterbotham shall be entitled to retain any divisible brokerage or commission received from agents or parties such as stockbrokers, insurance companies and fund managers in respect of any transactions to which the Entity is a party. Furthermore, any member company of Winterbotham shall be entitled to its normal profit in respect of any services or transactions carried out for the Entity.
- Winterbotham may employ advocates, solicitors, accountants or other agents of any kind at the expense of any Entity to advise on the administration of such Entity or to transact any business in connection with such Entity. Winterbotham shall not be responsible for any acts or omissions of any such third party in relation to the Entity.
- The Proposer will pay and hereby indemnifies Winterbotham for its services as Winterbotham shall have prescribed in its schedule of fees with power to vary its charges in accordance with any new scale of fees for the time being in force or on the basis agreed with Winterbotham, and acknowledges that Winterbotham may procure the payment of such fees and disbursements which it shall have incurred in relation to the Entity, out of the assets of the Entity; and that such services shall include management, administration, secretarial, accounting, auditing and statutory functions and any additional services as shall be deemed necessary by Winterbotham to ensure that the Entity is kept in good order and in good standing as regards any authority or law. The Proposer agrees to pay to Winterbotham all trustees fees, maintenance fees and costs annually in advance (which in the event of the termination of Winterbotham's services during the year shall not be repaid, reimbursed or prorated).
- Powers of Attorney and specimen signatures provided to Winterbotham shall always be considered valid unless and until it is notified in writing that they have been revoked or changed in any way. The Proposer shall be held liable for any damages of any kind resulting from falsification or failed authentication which may escape notice when normal verification is performed, unless there is gross negligence on the part of Winterbotham.
- The Proposer shall be held liable for any damages which may result from the fact that the Proposer or a third party has become incompetent, unless Winterbotham has been so informed in writing. The Proposer shall always be held liable for the consequences of any of his attorneys becoming incompetent.
- The Proposer assures Winterbotham that the Proposer has already received all necessary professional advice about the proposed use and objectives of the Entity and further assures Winterbotham that the Entity is suitable for his needs and will continue to acquaint himself with any legal and tax obligation he may continue to have during the time the Entity is administered by Winterbotham. The Proposer acknowledges that Winterbotham has not held itself out and does not hold itself out to be an investment advisor or an expert in the field of tax planning and accordingly the Proposer has not received and will not receive from Winterbotham any investment, legal or tax planning advice and Winterbotham will not be responsible for any requirements incumbent on the Proposer for reporting or filing (whether for tax purposes or otherwise) in relation to the Entity other than where Winterbotham has a statutory obligation so to do.
- The Proposer undertakes that the Entity will be able to meet its outgoing and expenses to third parties as they fall due, and the Proposer hereby declares that he is solvent at the date hereof and notwithstanding the establishment of the Entity, is able to meet his liabilities to existing, actual and contingent personal creditors. Where Winterbotham accepts instructions from the Proposer and a third party jointly to administer an Entity the Proposer acknowledges that the liability of the Proposer to Winterbotham will be joint and several with such third party and that in the event of either of the Proposer or the third party defaulting in their obligations to Winterbotham the other of them will be liable to Winterbotham to the full extent of their joint liability and in the event of one of the Proposer or such third party dying the survivor of them will be liable to Winterbotham to the full extent of their joint liability.
- The Proposer undertakes to advise Winterbotham in a timely manner of all changes in residence or citizenship of the Proposer or of any other changes of which Winterbotham should be aware to enable them to comply with applicable law.
- The Proposer shall ensure that all assets transferred to the Entity are unencumbered property.
- Winterbotham shall not be bound or required to interfere in the management or conduct of the business of any company any shares or securities of which form part of the assets of any Entity notwithstanding that such Entity holds the whole or a majority or a substantial proportion of the shares carrying the control of the Company and so long as Winterbotham has no actual notice of any act of dishonesty or misappropriation of monies on the part of the directors having the management of such company Winterbotham may leave the conduct of its business (including the payment or non-payment of dividends) wholly to such directors. Within the limits of the laws protecting the fundamental rights of persons whose particulars are subject to processing, Winterbotham shall be authorised to store the Proposer's personal data electronically and process them by computer or in any other way, most particularly so that it may fulfil its due diligence obligations, execute any and all transactions, manage and/or administer the Proposer's account and use such data in assessing creditworthiness or performing statistical analysis.
- For the purpose of providing the services in relation to the Entity, Winterbotham keeps record of (i) the details of the Proposer, the**

beneficiaries and the Entity provided in the Trust Acceptance Form (2GUSB), and of (ii) any other information provided in relation to the Entity (collectively, the "Data"). The Proposer agrees that Winterbotham is entitled, but not obliged, to process the Data and to disclose and to transfer the Data (i) within Winterbotham, to (ii) any banking or other institutions with whom Winterbotham conducts business in connection with the Entity, or to (iii) accountants, auditors, legal and other advisors, directors or agents who render any service in connection with the services to be provided by Winterbotham in relation to the Entity. This permission shall remain in effect notwithstanding the death of the Proposer, unless and until revoked in writing by the Proposer's personal representative (executor or administrator). Winterbotham is also entitled to transfer the Data to recipients as described above in countries that do not have regulations, confidentiality and data protection laws comparable to the data protection laws of the country where the Winterbotham services are carried out.

Furthermore, the Proposer permits Winterbotham to disclose such Data or other similar information at any time it is ordered to do so by any Court, regulatory authority or governmental department which has jurisdiction over Winterbotham, the Entity or the assets held by the Entity and the Proposer also permits Winterbotham to make such disclosure whenever it is compelled to do so by any applicable law.

Notwithstanding the foregoing, to the extent the Entity has a U.S. account or one or more substantial U.S. owners as those terms are defined under the "Foreign Account Tax Compliance Act" ("FATCA"), the Proposer acknowledges that Winterbotham may be required to disclose the Data, and any other required information, to the U.S. Internal Revenue Service or the Ministry of Financial Services, as the case may be, pursuant to the reporting rules and regulations of FATCA and/or any government agreement entered into between the United States and the Commonwealth of the Bahamas. If required, the Proposer agrees to execute a separate instrument waiving any law that would prevent Winterbotham from reporting the information as required under FATCA, and if such waiver is not given by the Proposer then the Proposer acknowledges that Winterbotham may be required to close the account.

14. a) In this Clause 14 "Indemnified Parties" means Winterbotham and its officers, employees and appointees for the time being and from time to time and their respective heirs and personal representatives, each an "Indemnified Party".

b) The Proposer agrees with Winterbotham (in its own right and as trustee for the other Indemnified Parties) to indemnify and hold harmless each Indemnified Party against all and any actions, proceedings, demands, costs or claims of any kind whatsoever arising out of or in connection with the affairs of the Entity including, in particular, but without prejudice to the generality of the foregoing, the involvement of the Indemnified Parties or any of them in the affairs of the Entity.

c) An Indemnified Party shall not be entitled to the benefit of the indemnity set out above to the extent that any action, proceeding, demand, cost or claim which would otherwise be the subject of such indemnity results from the wilful and individual fraud of that Indemnified Party, but this sub-Clause (c) shall not prejudice the right of any other Indemnified Party to be indemnified.

d) The provisions of this Clause 14 shall remain in full force and effect notwithstanding the termination of the involvement of Winterbotham with the affairs of the Entity and shall continue in full force and effect for the benefit of any officer, employee or appointee of Winterbotham notwithstanding that that person is no longer an officer, employee or appointee of Winterbotham.

15. In compliance with applicable service provider laws and regulations and, if it deems it appropriate or necessary, Winterbotham reserves the right to outsource certain services inherent in its service provider operations, e.g. the accounting for the Entity, the booking of transactions and other back office tasks, to one or more companies and entities affiliated with Winterbotham or to third parties for an extended period of time.

16. These Terms may be terminated by either the Proposer or Winterbotham at any time upon not less than 30 (thirty) days written notice.

17. Winterbotham shall have the right to terminate these Terms forthwith at any time if the Proposer shall be in breach of any of the provisions of these Terms or if the Proposer or the Entity becomes insolvent or goes into liquidation or otherwise is unable to meet its liabilities or if the Proposer fails to provide information or clarification about the Entity or about any proposed or completed transaction which in the opinion of Winterbotham is dubious, lacks transparency or in which the underlying economic circumstances are unclear, such that Winterbotham is unable to comply with the Money Laundering Regulations and other applicable statutes and regulations in force in The Bahamas from time to time.

18. Upon termination of these Terms:-

a) Winterbotham may arrange payment of any amounts due to it from the assets of the Entity notwithstanding it may have been the practice of the Proposer to meet such fees and expenses.

b) Winterbotham shall cause its officers, employees and appointees to resign from all positions relating to the Entity.

c) Winterbotham shall be entitled to transfer or procure the transfer of the Entity into the sole name of the Proposer and thereupon Winterbotham shall be under no further obligation to provide management or administrative services to the Entity or to maintain the same in good standing.

19. Upon the retirement of Winterbotham from the trusteeship of any trust, Winterbotham shall be entitled to, and where appropriate the Proposer shall procure, an express indemnity from the continuing and/or new trustees in a form acceptable to Winterbotham against all fiscal liabilities and all other liabilities whatsoever for which Winterbotham may be or become liable as trustee or former trustee of such trust.

20. Any notices to be given pursuant to these Terms shall be given by letter or telefax addressed to the other party at the address of such party stated in the Trust Acceptance Form (2GUSB) or at such other address as may have been signified to the other party in writing from time to time and any such notice given by letter shall be deemed to have been given 3 (three) days after such posting and any such notice given by telefax shall be deemed to have been given at close of business on the day on which the telefax is dispatched.

21. Where the context so permits, any reference in these Terms to a particular gender shall include the other genders and any reference to the singular, including the term "Proposer", shall include the plural and vice versa.

22. These Terms shall be governed by the laws of the said Commonwealth and the Proposer hereby submits to the non-exclusive jurisdiction of the Bahamian courts.

The Schedule

Proposer to initial here





ADDRESSES AND CONTACTS

The Winterbotham Trust Group

The Bahamas

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Winterbotham Place - P.O. Box N-3026 - Marlborough & Queen Streets
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