



Cayman Islands
Cayman Registered Agent and
Corporate Secretarial Services
www.hcs offshore.com

Factors to consider when establishing a family office in the Cayman Islands

Establishing a Family Office in the Cayman Islands presents a multitude of considerations that demand careful evaluation. Primarily, the jurisdiction's regulatory environment is favourable, with robust privacy laws and no taxes on income, wealth, or capital or inheritance, creating an attractive backdrop for wealth management. This can all enhance asset protection and provide opportunities for tax efficiency.

There are no exchange controls and restrictions in the Cayman Islands.

English common law rules and principles apply in the Cayman Islands and are adjudicated within the framework of a well-tested and efficient judicial system, with a final right of appeal to the Privy Council.

There are a wide range of structures for a family office to adopt. Family offices can be structured as foundation companies, STAR Trusts, or Private Trust Companies or a combination of these structures. The objects, capacity and powers of these structures are generally unrestricted. There is considerable flexibility to tailor the memorandum of association and articles of association of a Cayman Islands company to meet a client's requirements.

Another crucial factor in choosing the Cayman Islands as the domicile for your family office is the choice of service providers, including legal, accounting, and investment professionals who possess a deep understanding of the local market and international regulations. Establishing a solid governance structure is equally essential; clearly defined roles, responsibilities, and investment strategies can ensure alignment among family members and effective decision-making.

Moreover, understanding the family's unique values and objectives is vital during the establishment process. This includes deliberating on philanthropic goals, succession planning, and the integration of family governance frameworks to nurture unity and a shared vision.

Also it is imperative that the evolving global landscape, including compliance with regulations such as the Common Reporting Standard (CRS) and Anti-Money Laundering (AML) regulations are also considered. A proactive approach to these matters will safeguard the family office's integrity and longevity, ultimately fostering sustained wealth generation for future generations.

This publication is intended to merely provide a brief overview and general guidance only and is not intended to be a substitute for specific legal advice or a legal opinion. For more specific advice on the above matters, please contact us at enquiries@hcs offshore.com