

Tackling transparency trends for private clients

In a video interview, Kevin O'Connell of First Names Group highlights some of the current and forthcoming issues impacting private clients in terms of meeting their wealth structuring needs.

Some key trends are impacting private clients in relation to the structuring of their wealth, says Kevin O'Connell, chief commercial officer of First Names Group.

First, there is a growing need to evidence substance and good governance in terms of structures. In line with this, there is also a flight to quality, he adds.

Secondly, O'Connell is seeing a greater focus by UHNW sophisticated families and entrepreneurs on finding a proactive, director-led service – and in this area, the firm has experienced some good traction in the market.

GETTING PREPARED

A number of issues are also on the horizon, says O'Connell, including the Common Reporting Standard (CRS).

There is also the reality of regulation coming in Hong Kong, in turn upping

the ante in terms of due diligence and KYC requirements.

He also highlights the banking side of things, explaining that it is essential that fiduciary services providers understand the nature of banking services that prospective clients require – to ensure the activity can be undertaken, and by a reputable institution.

From a client perspective, O'Connell says it can be challenging for them to fully understand the nature of their structures.

The quality of the referral is therefore critical, he adds, since clients should always appoint an independent legal or tax advisory firm of a certain stature, and that has background and relationships within the fiduciary space. The client can then be guided towards the right type of provider, he explains.

When it comes to regulation, meanwhile, O'Connell says this is coming for



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corporate services providers in Singapore. In Hong Kong, he says his firm would welcome the introduction of a regulatory regime in such areas. ■