



DIFC Foundation's:
Succession Planning and Asset Protection
Tool for the next Generation

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20 September 2022

Where Are We?



30+
Jurisdictions

20+
Jurisdictions

900+
Staff

40+
Languages spoken

1978
First office opened

What Do We Do For Our Clients?



Corporate Services

- ▶ Bahamas
- ▶ Barbados
- ▶ British Virgin Islands
- ▶ Canada
- ▶ Cayman Islands
- ▶ Cyprus
- ▶ Dubai
- ▶ Guernsey
- ▶ Hong Kong
- ▶ Isle of Man
- ▶ Jersey
- ▶ Luxembourg
- ▶ Malta
- ▶ Mauritius
- ▶ Nevis
- ▶ New Zealand
- ▶ Panama
- ▶ Seychelles
- ▶ Singapore
- ▶ United Kingdom
- ▶ USA (Delaware & South Dakota)
- ▶ US Virgin Islands

Fiduciary Services

- ▶ Bahamas
- ▶ British Virgin Islands
- ▶ Canada
- ▶ Cayman Islands
- ▶ Cyprus
- ▶ Guernsey
- ▶ Hong Kong
- ▶ Isle of Man
- ▶ Jersey
- ▶ Luxembourg
- ▶ Malta
- ▶ Mauritius
- ▶ Nevis
- ▶ New Zealand
- ▶ Singapore
- ▶ United Kingdom
- ▶ USA (South Dakota)

Fund Services

- ▶ Bahamas
- ▶ British Virgin Islands
- ▶ Cayman Islands
- ▶ Cyprus
- ▶ Dubai
- ▶ Guernsey
- ▶ Jersey
- ▶ Hong Kong
- ▶ Luxembourg
- ▶ Malta
- ▶ Mauritius
- ▶ Singapore
- ▶ United States

The UAE Private Wealth Market

The Private Wealth Market

- Substantial Private Wealth in the GCC (~\$3tn)
- UAE is a top market for UHNWI, HNWI
 - ~ 3,000 UHNWI (\$30m + assets)
 - ~ 100,000 HNWI (\$1m+ assets)

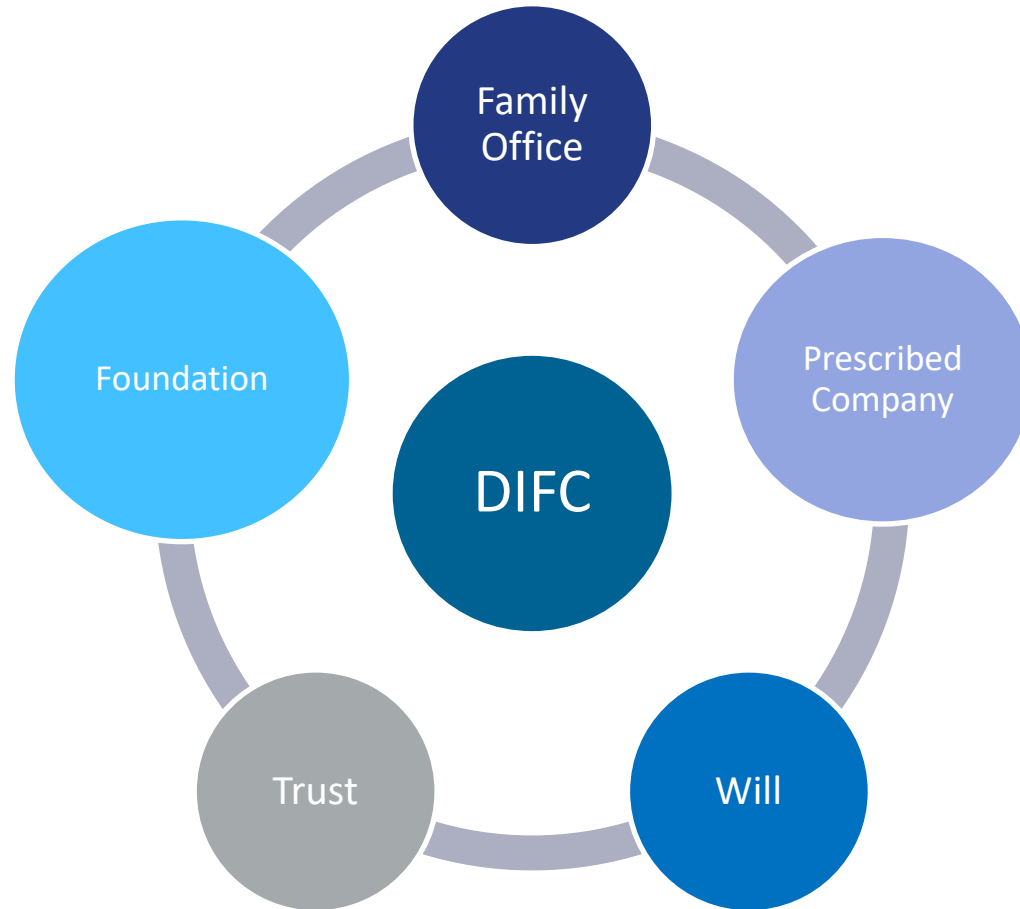
“The UAE has become the focus of intense interest among affluent investors and is expected to see the highest net influx of HNWIs globally in 2022, with 4,000 forecast - a dramatic increase of 208% versus 2019's net inflow of 1,300 and one of its largest on record.”



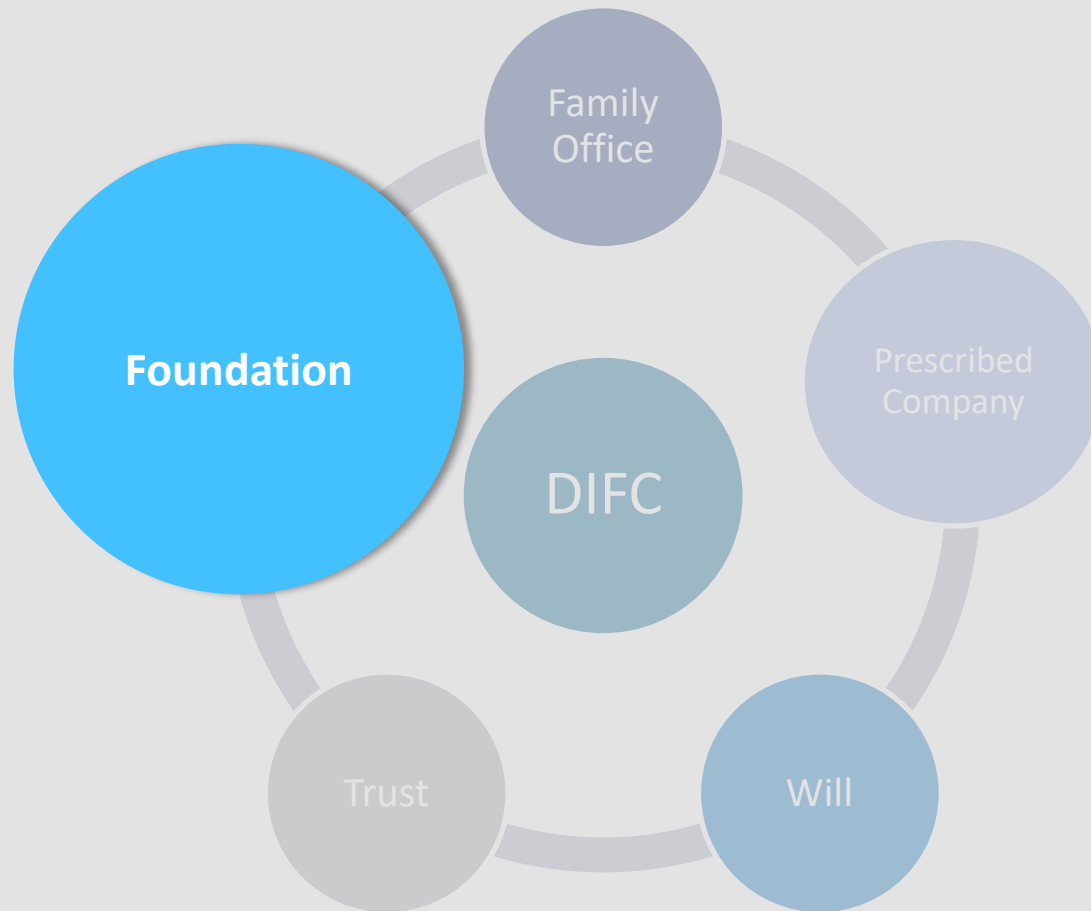
*According to the Gulf Family Business Council, **\$1tn worth of assets** will pass from second generation business families to millennials within the next 10 years (not counting offshore assets).*

Only 15-20% of family businesses are planning their succession.

DIFC Succession Planning & Asset Protection Tools



DIFC Succession Planning & Asset Protection Tools



What is a DIFC Foundation?

- Used for Wealth Planning and Asset Protection
- Charitable/Non-Charitable
- Orphan structure
- Hybrid of a Company and a Trust
- Governed by Council Members
- 2 levels of Beneficiaries
- Annual Accounts



Comparison Chart



	DIFC TRUST	DIFC FOUNDATION	DIFC WILLS
Legal Status	Arrangement, contractual relationship	Separate legal entity	N/A
Legal Ownership of Assets	Trustee	Foundation	Individual
Legal Framework	DIFC Trust Law, 2018, which refers to Common Law principles	DIFC Foundation Law No. 3 of 2018, with reference to Common Law principles	DIFC Laws and Regulations
Costs	Linked to fiduciary duty and value of assets	Administrative in nature, no independent council required	US\$ 2,000 – US\$ 4,000
Control	Independent Trustees	Founder / Council Members	Executor
Beneficiary Rights	Beneficiary has rights to the property. Trustee has obligations to the beneficiary	No entitlement or rights other than those ordered or provided by Council or by-Laws	N/A
Probate	No	No	Yes

Comparison Chart



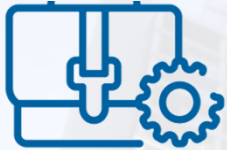
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Key Statistics



550
Foundations
since inception

Inter-generational & legacy planning

84%

Consolidation

78%

Wealth preservation

62%

Business continuity

54%

Philanthropic

10%



REAL ESTATE



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Financial Assets



>50% Muslim

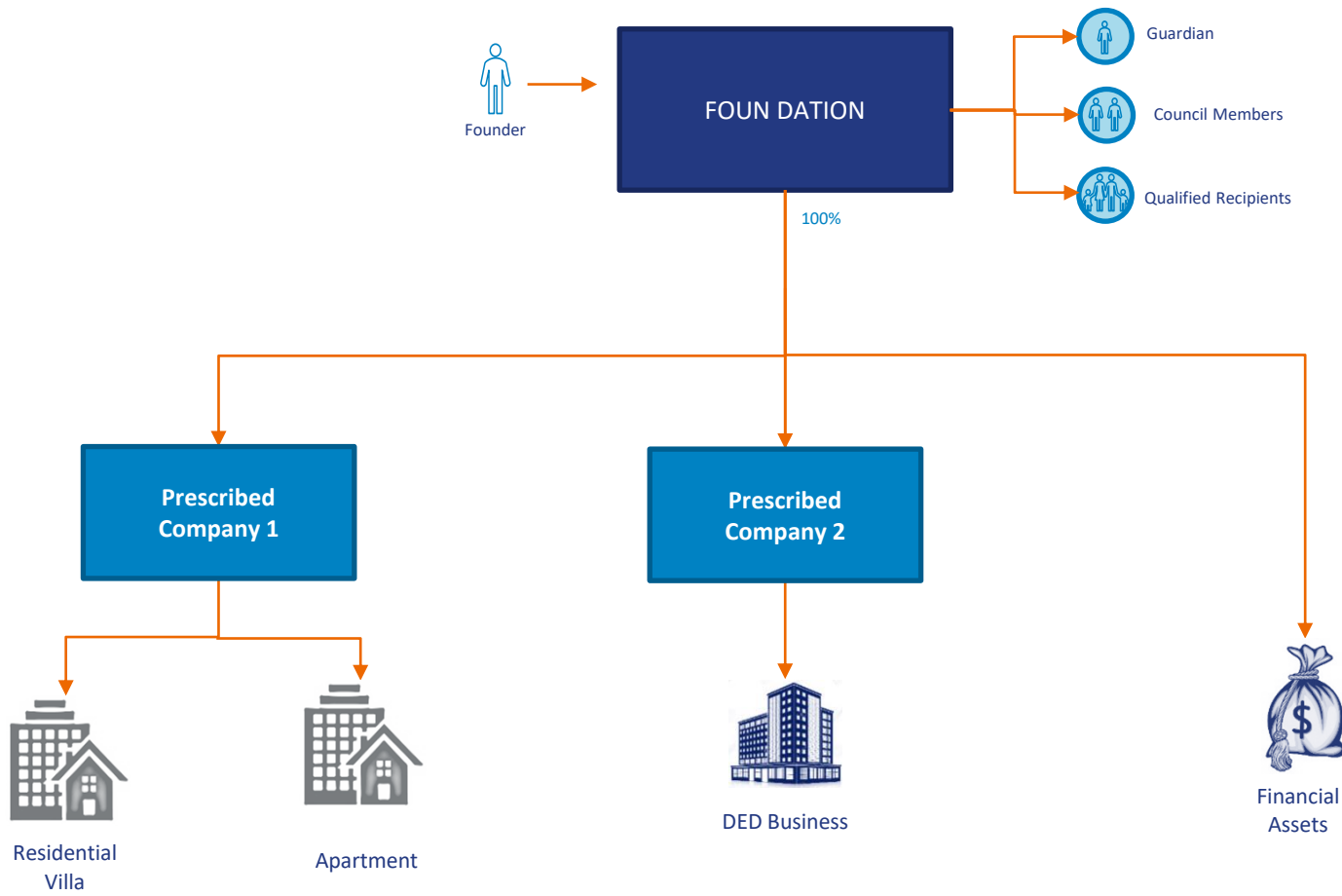
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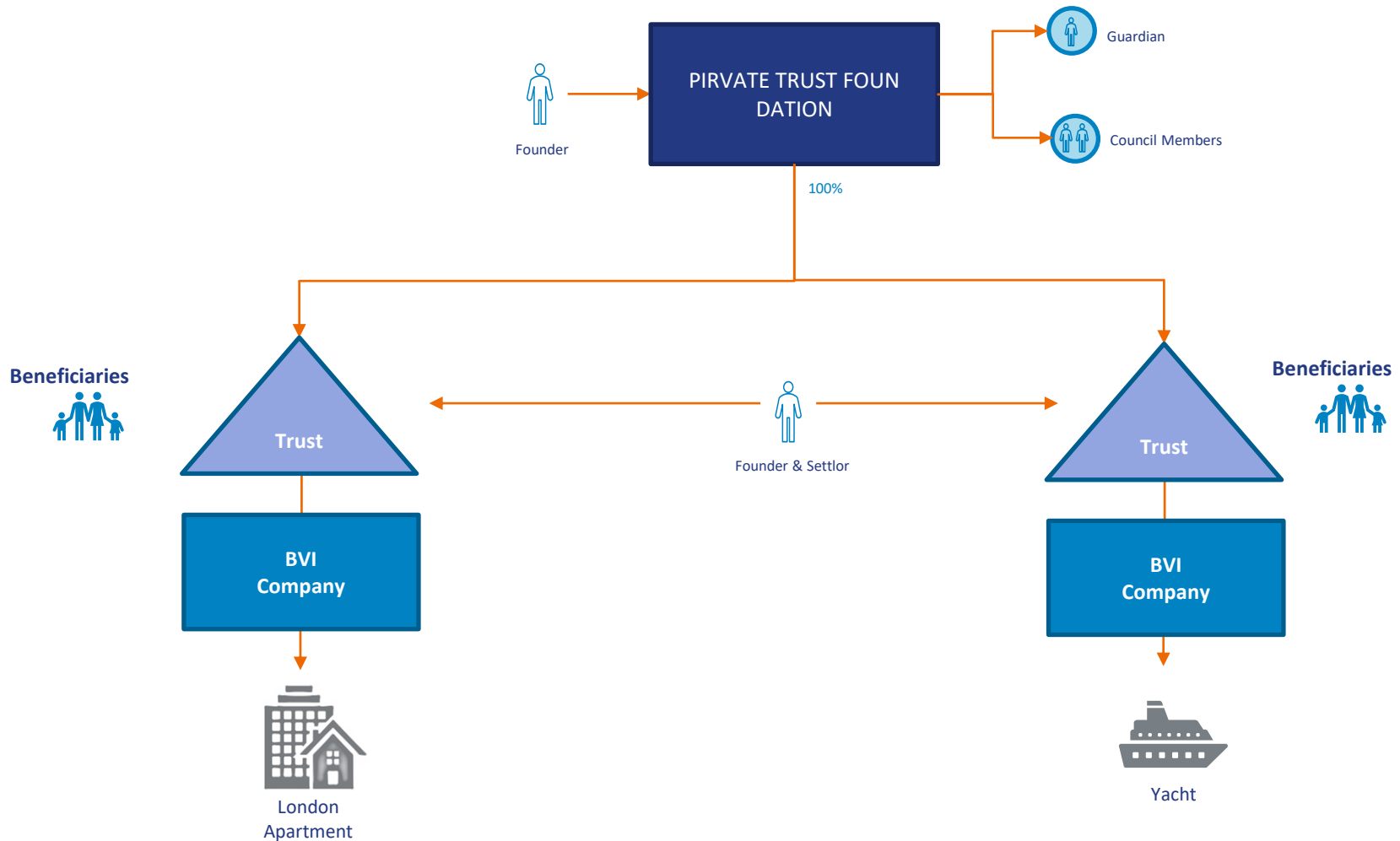
RAKICC 109

- Allows for legal title of assets to be transferred whilst still maintaining control during lifetime of Founder
- Muslim clients can have a say in the allocation of more than 1/3 of their assets
- Non-Muslim's, the Foundation prevents need for Probate (time and cost)
- Relatively quick and easy to establish
- Only a fraction of the maintenance cost of a Trust structure, with no requirement for independent Trustees
- Founding Documents (Charter & By-Laws) can be amended at any time by the Founder
- No need for multiple layers (JAFZA held by BVI)

DIFC Foundation Structure – Example 1



DIFC Foundation Structure – Example 2



DIFC Foundation Structure – Example 3

