

Offshore Trust Liberation Plan



“Offshore Trust Liberation Plan transforms passive trust value into active income value through the sale of the trust assets”

Income value
matched to individual
requirements

Offshore Trust Liberation Plan – Value Brief

Offshore Trusts have traditionally been created for tax Planning, Estate Planning or Asset Protection.

But the defining characteristic of this kind of private trust is that it provides merely passive value. Meaning that, except for some part of the trust securities portfolio, its assets do not interact with the market to produce any active value. And this is precisely why such a trust is not a commercial trust.

It is important to understand that continued holding of wealth in this form actually diminishes its value. The tax system is particularly biased against this type of passive trust value and imposes continuing fiscal penalties both during the lifetime and especially upon death.

Creating Active Income Value

To counter the negative effects described above, the Offshore Trust Liberation Plan transforms passive trust value into active income value through the sale of the trust assets. It is this sale which releases the active value of those assets, converting them into commercial investments. And the tax system recognises that transformation.

However, that newly created, active value then provides a return of income to the trust which, in contrast to the previous settlement of passive capital values, is structured to fit the real lifetime income requirements of beneficiaries.

The Power of The Commercial Income Trust

The Commercial Income Trust is a business trust established by an appropriate company and administered by independent professional trustees, who must have their own trust administration licence. In return for its purchase of the private trust, the Commercial Income Trust provides an annuity at a rate higher than that offered by insurance companies.

This annuity can be drawn over the lifetimes of the beneficiaries, thus providing income value exactly matched to their individual actual expenditure requirements. It is in this way that the Commercial Income Trust restructures trust value to maximise expenditure spending.



MARDON
CORPORATE SOLUTIONS

Offshore Trust Liberation Plan



“Offshore Trust Liberation Plan transforms passive trust value into active income value through the sale of the trust assets”

Income value
matched to individual
requirements

Benefits for all concerned

The Trustees liberate the real value of trust assets, receive a structured long term income and protect the integrity of the investment through a commercial trust.

The Beneficiaries enjoy the transformation of trust asset value and continue to obtain controlled access to succession wealth.

And the Revenue is protected against potential abuse of capital tax advantages by transfer of capital to a restricted commercial trust, obtaining appropriate tax receipts on beneficiary income.

Fully compliant, properly reported, totally effective

Like all our Solutions, The Corporate Assets Liberation Plan has been created to be fully compliant and permissible under trusts and tax law.

The Commercial Income Trust annuity purchase is permitted under trusts and tax law. Relevant sales to the CIT are reported to the Inland Revenue and Beneficiary income remains within the UK tax base.

If you feel this proven Solution may suit your requirements, please either forward these details to your own Professional Adviser or email us at info@mardons.co.uk for an initial discussion and to arrange an exploratory meeting which can include your Professional Adviser.



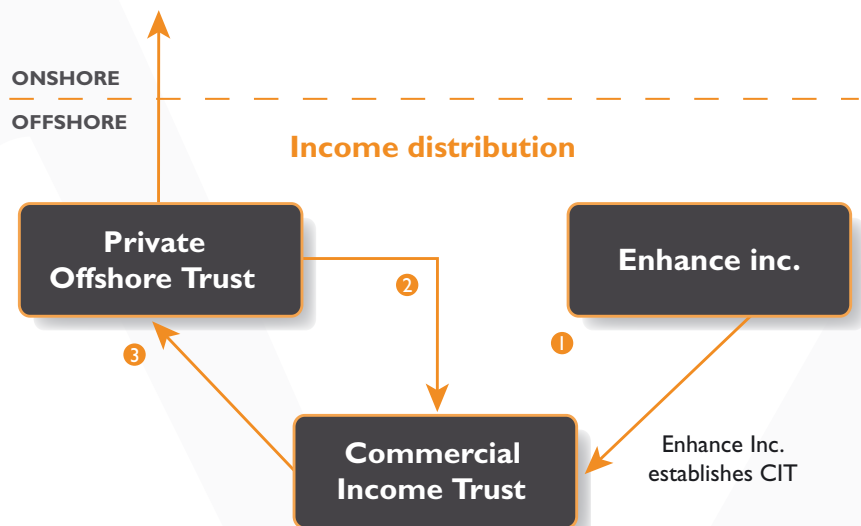
MARDON
CORPORATE SOLUTIONS

Offshore Trust Liberation Plan



“Offshore Trust Liberation Plan transforms passive trust value into active income value through the sale of the trust assets”

Income value
matched to individual
requirements



- 1 Enhance Inc. establishes a Commercial Income Trust
- 2 Assets sold to CIT
- 3 Annuity paid by Commercial Income Trust to Private Offshore Trust



MARDON
CORPORATE SOLUTIONS

Offshore Trust Liberation Plan



“Offshore Trust Liberation Plan transforms passive trust value into active income value through the sale of the trust assets”

Income value
matched to individual
requirements

Offshore Trust Liberation Plan – Case Study

PROBLEM

A beneficiary and settlor have assets frozen in an offshore family trust.

Distribution gains and loans all attracted serious fiscal implications (partly at the maximum tax rate of 64%).

The individual wished to have investment freedom and use the capital wealth in the UK, without larger tax penalties.

SOLUTION

The Trustee purchased a unique investment in a revenue recognized jurisdiction. (The investment is a concept known to fiscal specialists within the UK). However, attached to the arrangement was a unique Purpose Trust.

BENEFITS

- 1 Preservation of Trust value for future generations
- 2 No adverse fiscal implications
- 3 Freedom of investment within the UK
- 4 Transparency of the Solution

Mardon Financial Advisers Ltd accepts no responsibility for any loss, damage, cost or taxation suffered by any person in relation to or reliance upon the matters set out in this document. Any person wishing to implement any Value solution should seek advice from an appropriate independent professional adviser.



MARDON
CORPORATE SOLUTIONS

Offshore Trust Liberation Plan



“Offshore Trust Liberation Plan transforms passive trust value into active income value through the sale of the trust assets”

Income value
matched to individual
requirements

PRIVACY POLICY

Mardon Financial Advisers Ltd is committed to protecting your privacy and security. Please be assured that any information you provide to Mardon Financial Advisers Ltd, either direct or through your independent professional adviser, will only be used by Mardon Financial Advisers Ltd to first assess how best to assist you and then to tailor a Solution to your individual requirements.

The information you provide to Mardon Financial Advisers Ltd will never be passed on to a third party unless required by law or explicitly requested by yourself or your independent professional adviser.

This Privacy Statement follows the guidelines set by the Online Privacy Alliance and is in accordance with international data protection legislation. By submitting identifying data, a visitor to our Web site is agreeing to Mardon Financial Advisers Ltd's use of such data as described in this privacy statement.

If you have any questions or concerns regarding this important aspect of our relationship, do contact us at info@mardon.co.uk.



MARDON
CORPORATE SOLUTIONS