

Policy on Corporate Directors

Changes to legislation in Vanuatu requires far greater due diligence and care to be exercised by all directors and therefore we will only provide Corporate Directors in certain circumstances and each case is considered on an individual basis. These recent changes have been caused largely by organisations such as the OECD and the FATF putting an inordinate amount of pressure on jurisdictions such as Vanuatu to comply with their demands to stamp out “harmful” tax jurisdictions, implement stricter “know your client” rules, and held to control “money laundering” of proceeds of crime.

Should the beneficial owner elect to act as a Director of an international or exempted company, the Directors name and any other information supplied does not go on public record. However it does without doubt link the beneficial owner to control of the company, and may compromise his ability to respond to certain questions in his tax return in his home country.

Where an international company is controlled by a Trust, we strongly recommend that one Corporate director is used otherwise the reason for the structure will be seriously compromised.

In order for Corporate Directors to be supplied by our firm, the following conditions will apply:

1. Our directors must control the company’s assets

In this regard, we shall not allow our Corporate Directors to act as directors when the client controls the assets or wishes to act as a director himself. This also means, for example, that if the client has signing rights on the company’s main bank account, we cannot act as a director.

2. Our directors may give clients a limited power of attorney to execute contracts

This is only possible when we are fully informed of the need for the power of attorney. The power will only be granted for the specific action, after which the power will be automatically revoked.

3. Directors will be at liberty to refuse to carry out a transaction

This will really only occur when we are not fully cognisant of the reasons for the transaction occurring, but clients should not be offended if they are asked to supply details of a transaction.

4. The client must be well known to us

Prospective clients may be asked to supply information to satisfy the firm’s due diligence requirements. Any information supplied will, of course, remain confidential.