

# Lion's Roar



NEWS from Equity Bank And Trust | Nassau, The Bahamas | Spring 2018 | equitybahamas.com

## Equity Establishes Funds Subsidiary

The Central Bank of The Bahamas and the Securities Commission of The Bahamas are in the process of approving the establishment of Equity Investment Funds Services Ltd. (Equity Investments) to operate within The Bahamas and to conduct business exclusively with non-residents.

Equity Investments will operate as a wholly-owned subsidiary of Equity Bank and Trust Bahamas Limited, a non-resident licensee of the Central Bank.

Funds services have been a steadily growing area for Equity, spurred by such innovative products such as SMART Funds and ICON. Establishing an investment funds subsidiary is seen a logical and appropriate step to oversee this growing area of business.

"Our in-house fund expertise and relentless focus on client stewardship has solidified Equity's stellar reputation in the investment fund industry and elevated us as one of the fastest growing fund administrators in The Bahamas and the Caribbean," says **Michael Dean**, Managing Director of Equity Investment Funds Services Limited. "Equity Investments will focus solely on our funds administration capability, strengthening our internal guidance throughout every stage of a fund's life cycle and ensuring our clients investment funds are administered to the highest professional standards."

In addition to serving as administrators, Equity also provides individual Directors and full accounting services including NAV calculation.

In addition to SMART Funds and ICON, Professional Funds, a class of funds for sophisticated investors, and Recognized Foreign Funds, which are licensed or registered in a prescribed jurisdiction, are core components of Equity's private investment funds offerings. ■



CHRISTOPHER LUNN

## New VP Banking

EQUITY BANK and Trust Bahamas Limited has taken another step in strengthening its banking services expertise with the arrival of **Christopher Lunn** as its new Vice President, Banking. With more than 20 years of senior banking and securities experience Christopher adds another layer of Equity insights and expertise into the needs of HNW and UHNW individuals.

Full banking services were added to Equity's portfolio of products and services two years ago giving clients access to the broadest range of financial products and services from the leading independent, boutique bank, trust and other financial services provider in The Bahamas. This includes being a full service investments firm as licensed by the Securities Commission of the Bahamas.

"Christopher's supervisory and compliance experience in the banking and securities sectors adds a level expertise and insights that is absolutely mandatory for any institution to be operationally sound in meeting increasingly complex regulatory requirements, while at the same time looking after client interests," said **Dillon Dean**, Equity's Managing Director. "The ▶2

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constantly changing global economic environment demands an increasingly complex process for personal wealth management and a service provider that understands the intricacies and challenges that come with that responsibility and mandate. Christopher brings this level of understanding to our banking business and our executive group”.

Before joining Equity Bank and Trust Bahamas Limited Christopher spent three years as the CEO of a licensed investments firm in The Bahamas. His prior positions included acting as Compliance Officer and Director for an investment firm in The Bahamas; a Financial Consultant; Manager/Director Compliance for a private bank in The Bahamas; and Acting Manager for a regulatory agency in The Bahamas.

**Equity’s banking services are designed to meet the diversified requirements of global clients and include:**

### **Multi-Currency Interest-Bearing Deposit Accounts and Services**

(US\$250,000 or equivalent minimum)

- Overdraft facilities including personal negotiated overdrafts
- Online Banking and Account Information
- Term deposits from one month to one year
- Foreign exchange services
- Multi-currencies including USD, EUR, GBP, CAD, JPY, AUD, CHF
- Cash Management including currency transfers
- Standing Orders

### **Tailored Lending**

Provision of tailor-made lending facilities designed to personal requirements.



### **Cash and Portfolio Backed Loans**

Facilities can be advanced in most major currencies based on a selection of securities or investment funds within a portfolio or cash on deposit. This type of lending has the advantages of establishing a standing line of credit, achieving leverage or personal tax planning.

### **Custodial Services**

We provide a single point of contact for all investment information allowing investors to monitor, control and analyze their investment portfolios through the centralization of investments within one bank, irrespective of where or how those assets are managed. By safe-keeping your financial assets, facilitating trade settlement, collecting all respective entitlements and providing accurate and timely records of all holdings and activities relating to your investment portfolio, you receive the benefits of consolidated reporting of investments, economies of scale and reduced administrative costs. Global Custody also provides the further advantage of the simplicity with which investment decisions can be implemented.

### **Treasury Services**

Our treasury services concentrates and invests client money, and provides trade, finance and logistics solutions as well as safeguards, values, clears and services securities and portfolios for investors and broker-dealers. These transaction, investment, and information services can be particularly beneficial for chief financial officer and treasurers.

### **Tax Efficient Fiduciary Deposit Options**

Our fiduciary deposits can be at fixed term or on call notice usually, two days. For fixed terms, you can specify an automatic renewal, consisting in renewing every x month(s) either the initial capital or both capital plus interest. A client may give specific instructions to the bank, in order to

allow placements only to listed counterparts, or to avoid some countries.

### **Brokerage and Advisory Services**

Equity provides a comprehensive range of brokerage services, combining competitive rates and outstanding service. We can provide equity, fixed income or balanced portfolios that are tailored to your specific goals and constraints. Investors may also choose to only use our securities trading and custody services.

### **Bespoke Asset Management Solutions**

Our Bespoke Investment Service is customized and agile to meet the needs of our high net worth clients. Our clients are at the centre of the way we interact and manage wealth. Whether you are a private client, charity, trustee or a family office our bespoke service is tailored to meet your unique and individual needs. We are stewards of wealth and strive to achieve the highest level of confidence in every aspect of our service.

### **Financial Service Partners**

Equity has long-standing relationships with highly reputable and reliable correspondent banking and custodial partners to easily facilitate transactions in any part of the world.

### **Service Excellence**

The evolution and growth of Equity over the past three decades is testament to our fierce and uncompromising client-centric commitment to professionalism and integrity in delivering exceptional services and inspiring confidence and security among our clients around the world. These services include our ability to liaise with clients and contacts in their language of choice including English, French, Spanish and Portuguese. ■

# Equity Looks to China, Middle East



**Equity's trust and turnkey services will resonate strongly with the growing wealth class in China**

**Z**ou (Alice) Xiaoyan has been appointed Head of Chinese and Asian Markets by Equity Bank And Trust Bahamas Limited as the Nassau-based financial services provider expands its global footprint for high net worth individuals and families.


Alice will also be responsible for Middle East market development as the demand for the types of bespoke services which Equity offers continues to grow in this region.

With a 35 year track record in the Chinese banking industry Alice brings a deep rooted knowledge about structured, export, trade and project finance and has established working relationships with local government authorities, financial institutions, export and import companies.

Her experience includes four years in ANZ as Director Global Loan China; seven years with BNPP as Vice President, Global Structured Finance; 10 years with The Export and Import Bank of China; and 15 years at the Beijing Branch of the Bank of China.

The Bahamas in general and Equity in particular should be a perfect match for Chinese investors and its HNW individuals and families. Industry research suggests that China will soon rank first in the world as a source of new incorporations. High Net Worth Individuals and Families who have chosen The Bahamas as the base for managing their investments or as the location for residency or second home ownership come from all corners of the world; historically, though, the majority are from North America, the United Kingdom and Europe. ▶ 8

THE  
**Bahamas**  
CLEAR  
CHOICE INNOVATION  
EXPERTISE  
LOCATION



The Bahamas has always sought to provide superior financial products and services and a world class client experience in well regulated environment. It has proven itself to be nimble and responsive to global changes – always mindful of the need to adhere to international standards.

This is complemented by the fact that the Bahamas is not only somewhere that offers bespoke private wealth management, it is also a beautiful location to call home.

Go to [www.bfsb-bahamas.com](http://www.bfsb-bahamas.com) to see why our advantage is your business opportunity or call The Bahamas Financial Services Board for more information (242) 393.7001 or email [info@bfsb-bahamas.com](mailto:info@bfsb-bahamas.com)



# Equity Primed for LATAM Growth



**L**atin America has been squarely in the eye of the Bahamas financial services industry for a number of years now. This focus is paying off. Asserted efforts by the Bahamas Financial Services Board (BFSB), a public-private sector partnership, the Ministry of Financial Services and companies such as Equity Bank And Trust Bahamas Limited have led to a greater understanding in LATAM of the wealth management and experience that can benefit HNW individuals and families in the region.

Key to this growing interest for LATAM clients for what The Bahamas has to offer is the disciplined and innovative approach The Bahamas has taken to understand the specific needs of the market and creating compliant products catering to the needs.

“One of the key reasons for LATAM persons to look at the Bahamas for its wealth planning is that The Bahamas, unlike other offshore jurisdictions like Panama, is a common-law jurisdiction” says **Lucethy Palomino-Smith**, Equity’s newly named Senior Relationship Manager.

“Many of the Latin American countries belong to a civil law jurisdiction which predetermines that they must abide by forced heirship and the associated tax implications, which has implications on how their estate is handled outside of their intended wishes.

“With an offshore structure in The Bahamas domiciled here there is no such forced heirship requirement. Assets of a Latin American clients can be legally transferred to a trust formation with the purpose of succession planning and asset protection. This speaks to the distinction between legal ownership with the trust of the assets and beneficial ownership according to the prescribed benefits to the beneficiaries of the trust. Because the assets are held by a trust domiciled in a common-law jurisdiction it operates based on the gambit of common law

which does not have forced heirship,” says Ms. Palamino-Smith.

Having these funds outside of LATAM allows for flexibility in investing according to common law by the trust, with funds growing tax free until disbursed in accordance with the

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**Innovation can never be achieved unless there is good synergy between regulator, government and funds industry. In that respect, The Bahamas is well positioned**

prevailing income tax rates of the tax residency of the beneficiaries.

“At Equity we have a tremendous amount of experience with bespoke structuring and trust formation services, having been historically a trust services company for over 30 years since inception,” said Ms. Palamino-Smith. “We speak the languages of LATAM clients—Portuguese and Spanish – as well internally.”

She added Equity has a suite of complimentary services in-house which are convenient for LATAM clients as they set up their trust services in The Bahamas. “For instance, we create the trusts – discretionary, fixed income, or testamentary – suiting the needs and purposes of our clients, while also having the ability to take custody of the assets as a legal custodian, and to bank and invest liquid assets with us as

their private banker. This is important because in looking at the defensibility of a trust it is prudent for the assets within it to be resident within a common law jurisdiction.”

Bahamian innovation especially as it relates to LATAM is particularly prevalent in the funds area. The ICON legal structure and the SMART Fund series, are prime examples.

The SMART Fund, which came out back in 2003, has been very successful with respect to private clients, in Brazil and some other LATAM jurisdictions. **Michael Dean**, Managing Director of Equity Investment Funds Services Ltd., observes a clear uptake among family offices, particularly in Latin American markets such as Brazil, for private fund vehicles for their assets.

“Agriculture, transportation, real estate, Formula 1 marketing; basically anything you can imagine. People are taking advantage of SMART Funds to hold these assets. Most of our investors come through established global financial institutions, with whom they are investing their wealth. Generally speaking, the number of investors in fund structures is no more than 20 to 30,” said Mr. Dean.

This is why the SMART Fund series has proven so popular. Different fund templates have been designed to accommodate different numbers of investors. For example, SMART Fund 002 will have a maximum of 10 investors, SMART Fund 003 will have

PHOTO: ROBERT NYMAN

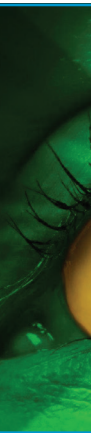




PHOTO: AGUSTIN DIAZ



a maximum of 15 investors, while SMART Fund 007 can accommodate up to 50 professional investors (“super qualified”). Equity has been taking advantage the SMART Fund options to develop more customized, tax efficient fund structures for the clients.

Innovation can never be achieved unless there is a good synergy between the regulator, the government and the funds industry in any given juris-

dition. In that respect, The Bahamas is well positioned.

The Securities Commission of The Bahamas (SCB) takes a sound approach to applying the right level of regulation while at the same time remaining open to the views and concerns of the Bahamian funds industry. This willingness to engage in open dialogue helped bring the ICON structure into effect. There was a mutual agreement between industry and the SCB that it would be beneficial to introduce a product that the Brazilian market would recognize.

With respect to the ICON structure, it is a relatively simple legal entity to establish. Similar to a partnership structure, it can be used for either a SMART Fund or a Bahamian Professional Fund, and one of the advantages is that they can be brought to market through an unrestricted fund administrator. What this means is that the licensing process for a SMART Fund typically only takes 72 hours.

“Once the due diligence has been properly followed through we can file all the necessary regulatory documents, get them signed by the SCB, and we then produce a certificate of establishment,” said Mr. Dean. “We established the very first ICON, and we’ve continued to develop new ones for other Latin American clients.”

He adds, “There is no doubt that SMART Funds and the ICON structure have been very attractive to our LATAM clients. Our familiarity in applying them to their needs has given unique insights and experience that can benefit other individuals and families throughout the LATAM.” ■

## New Senior Relationship Manager Has Strong LATAM Ties

Equity Bank and Trust Bahamas Limited has taken another step in strengthening its experience and expertise for Latin American clients with the arrival of **Lucethy Palomino-Smith** as its new Senior Relationship Manager. With more than 20 years of senior banking experience in Latin America and the Caribbean Lucethy adds another layer of Equity insights and expertise into the needs of HNW and UHNW individuals and families in the region.

Latin America is one of the priority markets for Equity and as such required a banking veteran to manage the company’s internal resources and provide an instinctive and seasoned understanding of the wealth planning needs for clients in the region, said **Dillon Dean**, Equity’s Managing Director. “Lucethy has a proven track record in creating and managing the type of infrastructure that is required to provide the highest quality banking services to wealthy Latin American families,” said Mr. Dean. “Throughout her career she has also been able to build long term relationships with them which only comes by demonstrating a true understanding and appreciation of what is important to their wealth planning and succession needs.”

Ms. Palomino-Smith brings to Equity Bank and Trust Bahamas Limited a private banking pedigree with LATAM client requirements through her past work with CBH (Bahamas) Ltd., Banco Santander, UBS (Bahamas) Ltd., Lloyds TSB Bank and Banco Nacional-Unibanco. ■



Lucethy Palomino-Smith, Senior Relationship Manager

IN THE NEWS

## Equity Teams Up with Bahamian Artists to Raise Funds for Ranfurly Home for Children

FIFTEEN BAHAMIAN ARTISTS had a chance to display their creativity at Equity Bank And Trust Bahamas Limited's second annual charitable art exhibition on Saturday, December 16 with a portion of the proceeds donated to the Ranfurly Home for Children.

Held at Equity Trust House in Caves Village the exhibition attracted more than 100 clients, guests of clients, senior governmental officials and Bahamian art collectors to the philanthropic event.

The exhibition which took place in the bank's modern atrium featured artists, **Dandreia Bethel, Rebecca Christen, Kevin Cooper, Tina Klonaris-Robinson, Thierry Lamare, Sylvia Krista, Nelly Biche de Bere, Toby Lunn, Theo McClain, Sophie McCarroll, Judith Papillon, Imogene Walkine, Alkanah Cartwright, Allan Wallace and Alexandro Sarno.**

"We are very grateful to the highly talented and socially committed artists and the attending Bahamians who made the exhibition possible and such a success," said **Ivlyln Cassar**, Equity's Chairman. "And at this time of year, Equity and our supporting artists for the event couldn't think of a more appropriate organization to support than the Ranfurly Home which gives so much to those in so much need."

As part of its 30 year anniversary in 2016, Equity Bank And Trust Bahamas Limited sponsored its first annual art exhibition with a portion of the proceeds donated to the Bahamas Hurricane Restoration Fund in the wake of Hurricane Matthew which caused considerable damage to parts of The Bahamas last fall. ■



**FRONT:** Alkanah Cartwright, Kayla Johnson, Equity HR manager; Dandreia Bethel; Judith Papillon; Tina Klonaris-Robinson; Sophia McCarroll; Sylvia Krista; Thierry Lamarre and Ivlyln Cassar, Equity chair. **BACK:** Imogene Walkine, Kevin Cooper, Toby Lunn, Allan Wallace, Rebecca Christen



## "I am woman. Hear me roar."

The Board of Directors, management and staff at Equity Bank And Trust Bahamas Limited have always considered their Chairman, **Ms. Ivylyn Cassar**, a woman of distinction.



By naming Ms. Cassar as a recipient of the "**Woman of Distinction 2017**" award, Celebrating Women International has recognized her exceptional qualities as well.

Ms. Cassar has been an avid contributor to major charitable foundations such as: The Sir Victor Sassoon (Bahamas) Heart Foundation, The Bahamas AIDS Foundation, The Pilot Club of Nassau, The Bahamas Red Cross, the PACE Foundation, The Bahamas Humane Society and The Cancer Society of The Bahamas. She is a major supporter of internships for college students at Equity Bank and she is a mentor to numerous young people.

The Equity Family congratulates Ms. Cassar on this prestigious award and would like to thank Celebrating Women International for honoring her business and professional accomplishments, charitable involvements and mentorship of young Bahamians. We hear you.

[equitybahamas.com](http://equitybahamas.com)



**EQUITY**  
BANK AND TRUST BAHAMAS LIMITED

**Fiercely committed to your success.**



PHOTO: ZHANG KAIYI

## The Bahamas could become only the second recognized hub for Renminbi trading and settlement in the Americas

“For Chinese clients, The Bahamas private wealth pedigree of which Equity is a key player should be an attractive advantage,” said Ms. Xiaoyan. “The generational transfer of wealth is a very much a Chinese mindset. Equity’s trust and other turnkey services within the highly compliant environment that exists in The Bahamas is a story that will resonate strongly with the growing wealth class in China.”

The Bahamas focus on being a high quality destination for owners of capital is captured in the shared vision of the government and private sector for The Way Forward: “To be a globally competitive international business centre for wealth management, capital investment in the Americas and emerging markets, and residency.”

Indeed a prime example of this in practice is found in the many family offices, asset managers and

indeed international businesses that call The Bahamas home, some with significant ties to China, like Hutchinson Whompoa and Baha Mar (financed by the Chinese Ex-Im Bank and built by China State Engineering).

High-level exchanges of visits has promoted and strengthened mutual political trust between the two countries. The economic and technical cooperation between China and The Bahamas has achieved rapid development in recent years, particularly after the 2008 world financial crisis. The Baha Mar project, involving a number of high-end hotels, saw the opening the first of its hotels last year. The Airport Gateway project in Nassau and a port project in Abaco have also received concessionary loans from the Chinese government.

There is also an agreement in principle between the Bahamian and Chinese Governments that would allow The Bahamas to trade in Chinese denominated currency, the Renminbi (RMB). Although details are still to be negotiated, The Bahamas could become only the second recognized hub for Renminbi trading and settlement in the Americas. This

acknowledges not only the strength of the diplomatic relationship and friendship that exists between the Bahamas Government and the Chinese Government but also of their confidence in The Bahamas’ financial infrastructure that has been refined and developed over the course of 80 plus years.

Apart from encouraging more trade relationships and exports given the ability to settle in Renminbi, there is the potential for Bahamas institutions to invest directly in yen denominated bonds and securities without the downside of conversion.

The Bahamas has long recognized that it could act as a bridging gateway between South America and Asia utilizing its depth of expertise in financial services to facilitate trading relationships and trade finance. This agreement in principle would help make it a reality. ■



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