Malta Trust Set-Up

SECTOR REGULATION
Trustees supervised & licensed by the Malta Financial Services Authority (MFSA)

LEGISLATION
Transparent, Detailed

TIME ZONE
Central European Time Zone (UTC+01:00)

CURRENCY
Euro €

APPLICABLE LAWS
Trusts & Trustees Act

OFFICIAL LANGUAGES
Maltese, English

EUROPEAN UNION
Member of the EU & Eurozone

WORKFORCE
Well qualified, English speaking

ccmalta.com/trusts-law
MALTA

Malta enjoys a stable political climate and a bi-partisan political scene that is largely convergent on issues of national and economic importance. The country's economy is considered to be one of the best performers in the EU, maintaining growth during the financial crisis. In 2015, Malta experienced a 6.3% GDP growth whilst unemployment was down to 5.4%. Malta has been a member of the EU since 2004 and of the Schengen Area since 2007.

Malta is a civil law country which has adopted trusts in its legislation and allows for the creation of domestic trusts. Trusts have, among other things, become very flexible and efficient vehicles for asset protection and asset management in Malta.

LEGAL BASIS

Today Malta’s trusts and estates law allows for the beneficial, yet secure, protection of a person’s wealth and property. The setting up of trusts in Malta is regulated by the Trusts and Trustees Act. The Act also provides for the appointment of the Malta Financial Services Authority (MFSA) as the authority in charge of the authorisation and supervision of trustees. The Act also incorporates the provisions of the Hague Convention on the Law Applicable to Trusts and on their Recognition as ratified.

LEGAL FORM

A trust is a legal institute and does not have legal personality. Ownership of the trust assets is vested in the trustee who is holding assets for the benefit of beneficiaries whether named or still to be determined. There are various types of trusts which can be set up under Maltese law including; fixed interest trusts, discretionary trusts, charitable trusts, protective trusts, and unit trusts.

BENEFITS OF A MALTA TRUST

- Fast process; 3 days
- Fully Confidential & Flexible; No Registrations & flexibility in terms of trust deed
- EU authorisation; Trustees authorised by the MFSA
- Trust Mobility; Trust is able to be re-domiciled to another jurisdiction
- Certainty & Security; Malta’s own domestic trust law
- Planning for Generations; Efficient distribution of assets
TRUST SETTLEMENT
Assets are transferred to the trustee through the formal trust settlement. Typical assets that are settled in trust are shares, stocks, bonds, units, bank accounts, immovable property, bank accounts, intellectual property and art.

SETTLOR
The settlor is the person who settles the assets in the trust, who upon doing such transfer no longer remains the owner and therefore no longer enjoys control thereon.

MALTA TRUSTEE
To ensure the highest level of security, the Malta Trusts and Trustees Act provides for strict regulations relating to the authorisation and supervision of trustees. The trustee is entrusted with the legal title to the trust assets.

PROTECTOR
The protector is the person who can oversee the conduct of the trustee and who has the power to appoint new or additional trustees, remove trustees and often has veto powers on certain decisions of importance relating to trust assets.

BENEFICIARIES
The beneficiaries are the persons who may benefit from the assets of the trust, and they may be indicated by either; name or class or relationship to a person alive or dead. A beneficiary of a Malta trust is entitled to charge or sell or otherwise deal with his interest in the trust in any manner—subject to the terms of the trust.

KEY REQUIREMENTS
Malta Trusts are subject to annual requirements including drawing up of accounting records and due diligence updates.

TRUST SETTLEMENT

PROTECTOR

BENEFICIARIES

KEY REQUIREMENTS

Trust Settlement + Malta authorized Trustee + Settlor + Named Beneficiaries or Group of Beneficiaries + Optional Appointment of a Protector = Trust
MALTA TRUST SET-UP

Trust Formation Timeline

1 WORKING DAY
DUE DILIGENCE PROCESS
• Collecting due diligence documentation

3 WORKING DAYS
PREPARATION TIME
• Meeting for signature or signature in counterparts
• Settlement via bank transfer

4 WORKING DAYS

Engagement
Trust Creation & draft Trust Deed
Signing of Trust Deed & Settlement

WHY WORK WITH US?

Problem Solving, Integrity, Honesty

Claris
Trustees

Authorised Trustee by the Malta Financial Services Authority

We’re lawyers: Lawyer - client privilege

Malta-Cyprus Trust Lawyers

Malta-Cyprus Lawyers, Tax advisors, Fiduciary staff: 100+

Our Ethos: Big firm expertise, Small firm personal

Malta
Cyprus
London
Zürich
Hong Kong

Dr Priscilla Mifsud-Parker
Tax, Trusts, Estates Partner
pmp@cclex.com
ccmalta.com/trusts-law

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