

Berry: 'anti-avoidance'

## Warning over QNUPS IHT mitigation

BY SIMON DANAHER

The chairman of Guernsey's QROPS committee has warned investors to be wary of using a QNUPS simply for IHT mitigation purposes and said IFAs need to fully understand the implications of the recently introduced schemes.

Roger Berry, also managing director of QROPS provider Concept Group, explained that while some schemes are being heavily promoted as a vehicle for inheritance tax (IHT) mitigation, with many providers suggesting contributions can be made to the 'IHT-sheltered' scheme 'without limit', there are important considerations to be taken into account, particularly if the client is still UK-domiciled.

Berry said: "If it were true [that you could shelter 100% of a client's estate from IHT] it would be one of the greatest tax loopholes ever created and anyone could remove any proportion, even 100%, of their estate outside their liability to IHT. It seems no mention is made of a number of difficulties [in doing this], not least the anti-avoidance provisions existing in the Inheritance Tax Act 1984."

# Superfund axes jobs, shuts offices to survive the slump

BY SIMON DANAHER

Superfund, the managed futures investment manager, has closed six sales offices and made a number of staff redundant in a cost-cutting drive it said was necessitated by the financial crisis.

The fund manager has also reduced fees on its funds, among other measures such as reintroducing daily dealing on its Luxembourg Sicav range, in order to increase the competitiveness of its products.

Superfund's investment performance has suffered dramatically in the past year, with only three of its ten funds, which are variously domiciled in Luxembourg, Austria, Switzerland, Cayman Islands and the US, not recording a loss over 12 months.

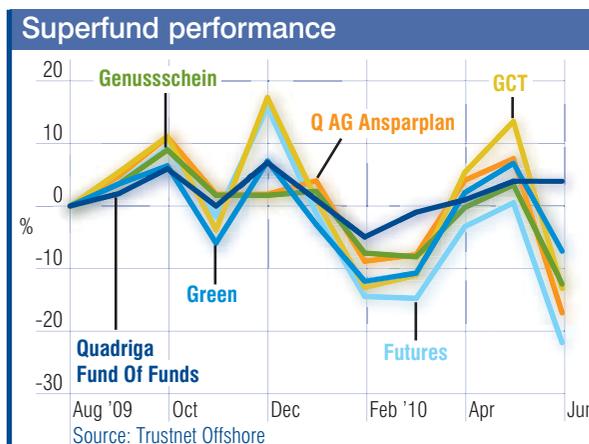
According to data from

Trustnet Offshore, the best performer was Superfund Futures Gold, which made a positive return of 5.99% over the period. The worst, Superfund Green Gold, was down almost 26% at the end of May (see chart for other funds' performance).

The company said of the cost-cutting: "In order to ensure its ability to remain

internationally competitive, the Superfund Group has in recent months initiated a strategic repositioning which involves a number of organisational changes and cost-saving measures."

Part of these measures has seen offices closed in Monaco, Liechtenstein, Dubai, Sao Paulo, Sydney and Singapore.



## Wealth firm for female clients opens offices in Abu Dhabi

BY HELEN BURGGRAF

A new wealth management company run mostly by women, which seeks to accommodate the special needs of female clients, has been launched in Abu Dhabi.

Al Bashayer Investment Company has an investment banking licence from the UAE central bank and is owned by "a group of prominent institutions and individual businessmen and women from the UAE and GCC countries", according to the company.

Among the reasons women in the Gulf may be thought to have special financial needs is because under Shariah law, they typically inherit less than male family members.

In addition to providing wealth management services, corporate advisory services, investment banking and brokerage services to women, Al Bashayer said it is also hoping to cater for high net worth individuals of both sexes as well as families in the UAE and wider gulf region.

"Women investors have [a] different risk appetite [than men] and their objective and return on investment expectation is also different," Al Bashayer chief executive Fatima Al Jaber said.

"Many women investors do not get access to investment solutions that meet their requirement. At Al Bashayer Investment Company, we are gearing up to serve this untapped segment."

## Guernsey & Jersey to review corporate tax codes ahead of zero-10 investigation

BY HELEN BURGGRAF

Guernsey and Jersey have issued consultations on their corporate tax codes, ahead of a September review of zero-10 corporate tax regimes by the EU body which monitors tax compliance.

The closing date for comments on Jersey's tax regime is 30 August. Jersey Treasury minister Philip Ozouf said: "International views on tax are changing and Jersey needs to be ready to respond."

Under zero-10 regimes, most companies pay no corporation tax, although certain sectors, including banking, pay 10%.

The EU Code of Conduct Group said in May that it would look into the zero-10 regimes of the Isle of Man and Jersey, although it did not mention Guernsey, the third of the three UK crown dependencies, which also has a zero-10 arrangement.

This was understood to be because Guernsey had already committed to a review of corporate taxes.

The Isle of Man – the first of the three jurisdictions to introduce a zero-10 regime, in April 2006 – unveiled a public consultation on its business taxation system in February.

The three crown dependencies were informed by the UK Treasury last October that the EU Code of Conduct Group no longer considered zero-10 regimes to be compliant with the 'spirit' of the code, following a change in attitudes resulting from the global economic downturn.

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