

Preserving wealth, building legacies.

As an independent, owner-managed fiduciary group Fairway is committed to delivering client-centric solutions that endure. Headquartered in Jersey, with offices in Dubai and Kuwait, we offer seamless, director-led services across Private Client, Corporate, Funds, and Pensions. Our award-winning team combines innovative solutions with administrative and technical excellence, ensuring each client's unique needs are met with precision and care.

For our Private Clients, we offer bespoke services tailored to manage and transfer family wealth across generations. Our offerings include Trust, Company and Foundation Incorporation and Administration, Directorship Services, Family Office Solutions, and Private Trust Companies. Our director-led team delivers tailored, long-term solutions for effective family wealth management and generational wealth transfer.

Consciously independent.

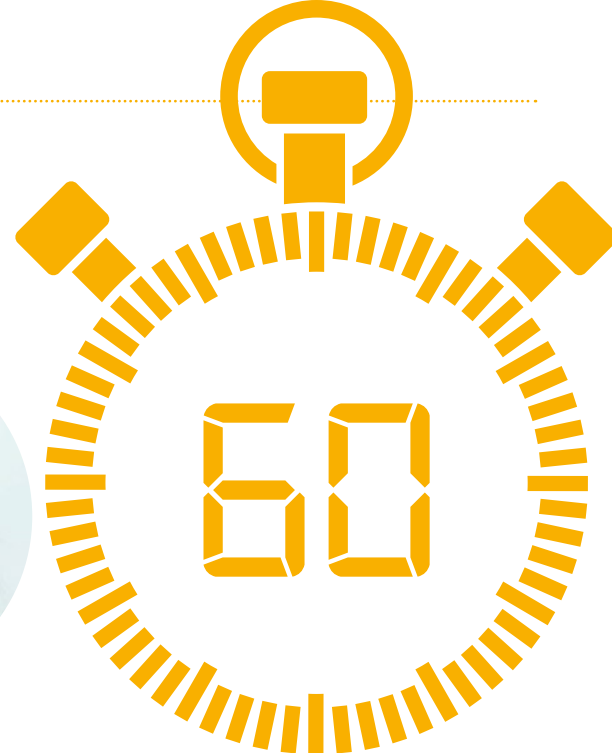
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60-SECONDS WITH:

DOMINIQUE BURNETT DIRECTOR FAIRWAY GROUP



Q Imagine you no longer have to work. How would you spend your weekdays?

A I like to think I'd finally be getting round to finishing my collection of short stories for publication. I also enjoy swimming and walking, so would probably do a lot more of that.

Q What do you see as the most rewarding thing about your job?

A The satisfaction of solving complex problems each day, whether these are client matters or internal to the business. I like a puzzle!

Q What book do you think everyone should read, and why?

A Books are very much horses for courses, and I hate being told what to read. But if someone was desperate for a recommendation, then I'd suggest the short story by Amy Hempel: *In the Cemetery Where Al Jolson is Buried*. I defy anyone to read it and not break their heart.

Q What legacy would you hope to leave behind?

A I'm not sure I want a legacy to leave, but I hope to be remembered as someone who was good at what they did and nice to be around.

Q Do you have any hidden talents?

A I make really good gravy.

Q What's the most important quote you've heard that you have adapted to your personal or professional life.

A *The attitude you have as a parent is what your kids will learn from more than what you tell them. They don't remember what you try to teach them. They remember what you are* - Jim Henson. I think this applies as much in the workplace as at home.

Q Is there anything you want to do/achieve that you haven't already?

A I'd like to put my experience from work into a philanthropic context.

Q What piece of advice would you give to your younger self?

A Don't be afraid of failing, life carries on.

Q Where has been your favorite holiday destination and why?

A I absolutely loved a weekend break we had in Melbourne once – it's a beautiful city with a great atmosphere, fun things to do and fantastic bakeries in Saint Kilda.

Q Dead or alive, which famous person would you most like to have dinner with, and why?

A Mark Twain – wise and funny, I'd love to spend an evening listening to him.

Q What's your go to relaxing activities to destress after a long day at work?

A If the weather is good, a walk in the sunshine; in winter, a glass of wine on the sofa and something funny on TV.

Q What brings you the most joy.

A My children, who also bring me tears, frustration, huge love and strange insects they found in the garden.

SUCCESSION SERIES: SETTING THE RIGHT FOUNDATIONS



 FAIRWAY



Authored by: Chris Mourant (Associate Director) - Fairway Group

In the dynamic landscape of the Middle East's financial sector, the Dubai International Finance Centre (DIFC) and the Abu Dhabi Global Market (ADGM) have played pivotal roles in propelling economic and financial growth. Originally established to foster regional development, they have both now evolved and developed into independent offshore jurisdictions with their own laws and legislation.

More recently, there has been a strategic shift in focus with both the DIFC and ADGM aiming to attract foreign investment. They have also set about improving the skillsets and experience of their workforce in order to encourage retention of wealth within the region, rather than it being invested or managed in/by a competitor finance centre. Subsequently, we have seen a raft of legislative changes within the UAE which further aim to enhance the region's reputation while also boosting the UAE economy. Many draft laws and legislative amendments were established during the "Year of the 50th" and are intended to keep pace with the developmental achievements of the UAE and reflect the country's future aspirations. Over 40 laws were implemented, which together represent the largest legal reform in the young nation's 53-year history, all with the aim of enhancing the openness of the UAE's business climate in a way that supports the competitiveness of the national economy.



Facilitating Local Asset Structuring: The Introduction of the Foundations Legislation

The DIFC and ADGM recognised that, whilst the vast majority of family wealth was held in immovable assets within the Middle East, a portion of wealth was invested internationally and often structured in an offshore jurisdiction such as Jersey, BVI or Cayman Islands. There was also restrictive legislation and red tape that prevented families from being able to structure their local assets using offshore vehicles administered by their existing service providers (often Trust Companies) which resulted in them being forced to own assets in their own name or that of several family members.

Having identified a potential succession issue, the DIFC and ADGM (and later RAK International Corporate Centre), introduced the foundations Regulations in 2017/18¹ in order to provide families

with a mechanism to be able to properly structure their assets whilst at the same time, promoting themselves as credible and world class finance centres which cater to family offices. The introduction of such legislation opened the door for existing service providers in the more mature offshore finance centres to begin to assist families with their local structuring requirements and succession planning needs.

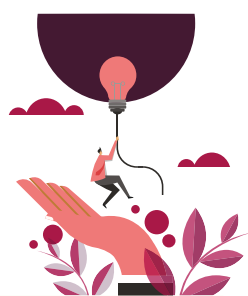


Legislative Milestones: Family Business Law and Beyond

Subsequent to the introduction of foundations legislation, The UAE has since enacted the Family Business Law which comes as part of the UAE's efforts to support family businesses as they have been identified as being of strategic importance to the future economic transformation of the UAE.

1 <https://en.adgm.thomsonreuters.com/rulebook/foundations-regulations-2017>

A number of initiatives were launched to develop the family business industry, most notably the FB-X family business platform and the 'Thabat' programme which aims to turn 200 family-owned businesses into major companies by 2030, with a market value of over Dh150 billion and annual revenues exceeding Dh18 billion. The programme, the first such initiative in the region, assists families in transforming their ideas into viable business projects by adopting emerging technologies. The programme has united over 45 families across 4 generations, creating new and sustainable business visions, driving the expansion of their businesses into new economic activities and sectors. Due to the programme's success 'Thabat 2.0' has officially launched.²



UAE Foundations as Viable Solutions

With an increased focus on family businesses, it is imperative that these families have access to high quality succession planning advice and they each put plans in place to ensure a smooth passing of assets to future generations. One of the key objectives when creating a successful succession plan is to ensure that the correct structures are used, which are legally enforceable. The UAE foundation can be a viable solution which not only helps meet family objectives, but also goes some way to remedying a long-standing issue of having to relinquish ownership and control of assets to a Trustee when establishing a Trust.

Benefits of a UAE foundation:

- The foundation itself can be structured in a Shariah compliant manner to ensure compatibility with religious views.
- The founder can retain control over the assets whilst taking advantage of the benefits of having professional Trustees appointed as part of the day-to-day management of the foundation.
- Such professionals can assist families with overall strategy, corporate

governance and regulatory aspects that may be required as part of the ownership structure.

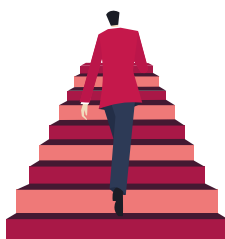
- Family members can be appointed as beneficiaries and can also be appointed as council members who make key strategic management decisions.
- Any assets that are owned by the foundation no longer form part of the founder's estate when he/she passes away, which allows the family business to function without any delays or interference of the courts whilst they determine the succession of the personal estate.



The Rise of Foundations

Interestingly, as at January 2024, the total number of foundations established in the UAE was 1,000. To put this into context, Jersey enacted foundations legislation back in 2009 and only has approximately 216 active foundations. This shows that there has been a real uptick in demand for this type of structure in the region, as well as advisors promoting such structures which can be used to meet a breadth of family objectives including transferring wealth to the next generation.

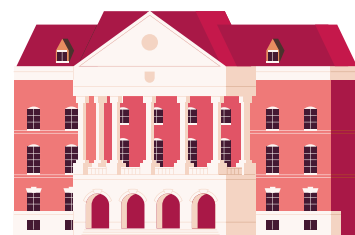
It is common that many large high net worth families already have an existing relationship with an offshore service provider. The structure that has already been established is likely to contain assets located in foreign jurisdictions i.e. those assets that are based outside of the UAE. It is expected that the legislative changes will go some way to not only encourage families to begin thinking about legacy planning but also providing a clear solution for some of the inherent issues encountered historically.



Family Wealth Structuring in the UAE: The Need for Family Offices and Strong Governance

Fairway acknowledge that although the UAE foundation may be the starting point for any structuring requirements, there may be a need to establish a family office arrangement in order to provide a truly holistic approach to family wealth structuring. It is only when we begin to talk to high net worth families that we can establish their overall approach to risk and asset allocation, as well as how the family dynamics will play a prominent role in any structuring discussions.

One can argue that the UAE government has provided the foundations (excuse the pun) to provide all the necessary ingredients for families to be able to access advisors who can assist with establishing the best structure that meets the needs of the family. There is at present no requirement for service providers to have a physical presence in the UAE to be able to act as council members of the foundation, although there is a requirement for a registered agent to be located in the region. This very much provides the family access to existing overseas advisors whilst knowing that the legal structure is incorporated and managed under domestic legislation.



Fairway believes that the upward trend of foundations being established in the UAE will continue and that the differentiating factor will be the experience that professional service providers can provide. Good corporate governance will be imperative to ensure that the foundation continues to comply with local and international regulation and reporting requirements and there would appear to be no greater opportunity for Middle Eastern families to access professionals based in a well-established finance centre such as Jersey.