



UNLOCKING THE POWER OF CYPRUS INTERNATIONAL TRUSTS

IN TODAY'S INTERCONNECTED WORLD, INDIVIDUALS AND FAMILIES ARE INCREASINGLY LOOKING FOR EFFECTIVE WAYS TO MANAGE WEALTH ACROSS BORDERS, PROTECT THEIR ASSETS AND PLAN FOR THE FUTURE. ONE OF THE MOST VERSATILE TOOLS FOR ACHIEVING THESE GOALS IS THE CYPRUS INTERNATIONAL TRUST (CIT).

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Cyperus has developed a strong reputation as a trust jurisdiction, offering a combination of a robust legal system, flexibility, confidentiality and a modern regulatory framework. Whether you are planning your legacy or structuring international assets, a Cyprus trust can be a strategic component of your wealth planning.

Why Choose a Cyprus Trust?

Cyprus offers a unique combination of legal, regulatory and practical advantages that make it a preferred jurisdiction for establishing international trusts.

A COMMON LAW FOUNDATION

Cyprus trusts are based on English common law principles and are governed by the International Trusts Law of Cyprus, which has been updated to meet modern needs. Cyprus is one of the few EU member states with a common law legal system, inherited from its British colonial heritage. This makes Cyprus trusts familiar and accessible to international clients, especially those from other common law jurisdictions. The International Trusts Law of 1992, as amended in 2012 and 2013, provides a modern and flexible legal framework that supports a wide range of trust structures. It incorporates key features such as asset protection, confidentiality, and broad powers for trustees, while aligning with international standards on transparency and anti-money laundering.

LEGAL CERTAINTY AND JUDICIAL EXPERTISE

The Cyprus courts have built a strong track record of upholding trust arrangements, drawing on both domes-

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tic case law and English legal precedents. This provides a high degree of legal certainty for both settlors and beneficiaries. The judiciary is experienced in handling complex trust disputes and the legal profession includes many practitioners with international training and expertise.

REGULATORY OVERSIGHT AND PROFESSIONAL SERVICES

Trustees in Cyprus – particularly those offering services to international clients – are subject to regulatory oversight. This ensures that trust administration is carried out with professionalism, accountability and adherence to international compliance standards. In addition, Cyprus boasts a well-developed ecosystem of legal, accounting and fiduciary professionals, many of whom are multilingual and internationally qualified.

STRATEGIC LOCATION AND EU MEMBERSHIP

Cyprus' location at the crossroads of Europe, the Middle East and Africa makes it an ideal base for managing international assets. As a full member of the European Union, Cyprus benefits from harmonized financial regulations and access to EU legal protections, while maintaining its own distinct trust law regime.

THE ROLE OF THE TRUSTEE

A central element in any trust is the trustee – the individual or entity responsible for managing the trust's assets and ensuring its terms are fulfilled. The effectiveness of a trust often depends on the trustee's ability to administer it with diligence, impartiality and professionalism. Appointing a regulated, professional trustee brings significant advantages. Professional trustees operate under established compliance frameworks, maintain high standards of governance and experience in navigating complex legal and administrative requirements. Their involvement helps ensure that the trust is managed transparently, efficiently and in full alignment with its intended purpose. They also provide continuity and

independence, which are essential for long-term planning and cross-border asset management. Their structured approach to record-keeping, reporting and communication with beneficiaries adds a layer of reliability that is difficult to replicate in informal arrangements.

COMMON USES OF CYPRUS TRUSTS

Cyprus International Trusts are used in a variety of scenarios, including:

- **Succession planning:** Facilitating the transfer of wealth across generations.
- **Asset holding:** Managing international investments or property.
- **Family support:** Funding education, healthcare, or other needs.
- **Business structuring:** Holding shares in private companies or managing family businesses.
- **Charitable purposes:** Supporting philanthropic goals through structured giving.

SETTING UP A CYPRUS INTERNATIONAL TRUST

The process typically involves:

- **Appointing a trustee:** At least one trustee must be a Cyprus resident.
- **Drafting the trust deed:** This outlines the terms and structure of the trust.
- **Transferring assets:** The settlor contributes assets to the trust.
- **Ongoing administration:** The trustee manages the trust in accordance with its terms.

Eligibility requirements include that neither the settlor nor the beneficiaries (except charitable ones) may be Cyprus tax residents in the calendar year prior to the trust's creation.

Cyprus International Trusts offer a practical and flexible solution for managing wealth in a global context. With the right structure and professional support, they can help individuals and families achieve long-term financial and personal goals.
