

Frequently Asked Questions

What were the initial reasons for setting up SATC?

There were two main reasons:

(1) Knowing that the Ratification of the Hague Convention on the law applicable to trusts and on their recognition was soon to be signed by the Swiss government, STEP and the founders of SATC wanted to pave the way for a reasonable and practical regulation of the trust business in Switzerland. Prior to the setting up of SATC there were talks that Berne was thinking about registering trust whereas internationally, the registration or licensing of trustee companies was seen to be a more useful tool to control and influence the activities of the trust industry. Hence, SATC sees itself as a pathfinder for future regulation of trust services or trust companies in Switzerland.

(2) Due to the fact that there is no licensing process for trustees in Switzerland (yet), trust companies based in other jurisdictions who did not wish to go through a licensing process, chose to set up trust companies in Switzerland, many of these trust companies were not providing high quality service, with a potential for damaging the reputation of high quality trust service provision in Switzerland.

What are the goals of SATC today?

SATC aims to:

- set and reinforce high professional and ethical standards
- become the quality 'bench mark' for trustee activities within the Swiss Financial Market
- become the bridge-builder between the industry and the Swiss government in tax and regulatory matters and to prepare for a future regulation of trust companies
- promote Switzerland as a first class jurisdiction for trust related services
- open a dialog within the industry on the issues of transparency and confidentiality
- create benefits of membership to SATC members and their representatives

Who can become a Member of SATC?

Members of SATC are Swiss based trust companies of a sound reputation and a certain size that perform high quality trustee activities (and any related services) from within Switzerland.

SATC members must be full members of a Swiss recognised self-regulating organisation or under the direct supervision of the Swiss Financial Market Supervisory Authority FINMA.

SATC
Postfach 2521
Baarerstrasse 75
6302 Zug

Phone: +41 (0)41 727 05 25
Fax: +41 (0)41 727 05 21
www.satc.ch

Further requirements are set out in the SATC Membership Regulations which may be downloaded from our website or obtained from the Secretariat in Zug.

What benefits do Members of SATC enjoy?

SATC Members increasingly report that their membership is leading to an increase in business opportunities, especially opportunities to participate in so-called 'beauty parades'. Law firms, banks, tax advisers and other professionals confronted with the need to select a trustee of a certain professional level often turn to SATC members who meet certain organisational and quality standards. SATC does enjoy a good reputation and so do SATC members.

Apart from above mentioned benefits Members - through their representatives - get access to important know-how and information. Especially if specialists from Members are part of one of the technical committees.

SATC has commenced to engage in promoting its activities, its Members and Switzerland as a jurisdiction for trust administration nationally and internationally through events, articles for high level journals and newspapers and advertisements.

What is a Guest Membership?

Trust companies that subscribe to the aims and objectives of SATC, but are either too small or too newly established to qualify for SATC Membership, but expect to be able to meet all of SATC's standards in the near future, can join SATC as Guest Members. Guest Members enjoy many of the benefits of SATC Members but they have no voting rights, may not make any reference to SATC membership or use the logo and they are not eligible to have their representatives elected as members of the Committee.

The SATC Membership Regulations contain further information for Guest Members and can be downloaded from our website or obtained from the Secretariat in Zug.

How is SATC organised?

The SATC Committee consisting of highly regarded professionals that must be employed by a SATC member is the managing body of SATC. In addition, the Advisory Board with influential professionals from the trust industry advises SATC on various issues. To deal with technical subjects three SATC Technical Commissions - Regulation & Compliance, Taxation and Promotion - have been set up.

Details as to the composition of the Committee and the Advisory Board can be found on our website or obtained from the Secretariat in Zug.

Who can use the SATC logo?

The SATC logo is becoming recognised as a label for professional quality in trust administration. SATC members may, exclusively, use the SATC logo on any printed or electronic materials. A misuse of the logo may result in sanctions as set out in the SATC Membership Regulations. Guest members are not entitled to use the logo.

The logo has been lodged and registered with the Swiss Federal Institute for Intellectual Property.

What is the difference between SATC and STEP?

SATC is an association established on July 5, 2007 and registered in Zug. SATC is the leading organisation to engage in the furtherance and development of trustee activities in Switzerland. It aims to become an association recognised and supported by the Swiss government and other influential bodies, associations and commissions in Switzerland and internationally, assisting in the improvement of the legal basis of the trust business in Switzerland. SATC's members are corporate members with operative trust operations in Switzerland.

On the other hand, STEP, the Society of Trust and Estate Practitioners, is the international professional, educational and disciplinary body for individuals working in the Trust industry, its mission is mainly educational in Switzerland, although it has a strong lobbying function out of London and Brussels. Membership of STEP is only available through a test of professional competence.

STEP was instrumental in the establishment of SATC to meet the needs of corporations involved in the Trust industry in Switzerland and the two organisations closely cooperate on trust issues in Switzerland.

Is SATC a Self-Regulating Organisation (SRO)?

No, SATC is not a Self Regulating Organisation such as VQF, ARIF, OAR-G or Polyreg and there is no plan to become one. SATC is a professional association of like-minded industry-leaders whose mission it is *inter alia* to ensure that high professional standards in the trust industry are met. Hence, SATC closely monitors regulatory developments in Switzerland and would be willing to support future regulatory initiatives in connection with trusts. SATC in 2008 and 2009 has worked closely with Switzerland's largest and oldest SRO, VQF in Zug and intends to increase its collaboration with other SROs in the future to ensure professional standards are met.

Is SATC known and recognised in Berne?

SATC enjoys a good and increasingly practical relationship, albeit informally so far, with the Swiss Financial Market Supervisory Authority FINMA, the Swiss Federal Department of Justice and Police and the Swiss Federal Tax Administration in Berne.

SATC sees itself as bridge-builder between trust industry leaders and the Federal administration and will further its cooperation whenever opportunities arise.