

REPUBLIC



OF CYPRUS

69(I) of 1992
20(I) of 2012
98(I) of 2013.

THE INTERNATIONAL TRUSTS LAWS 1992 TO 2013

(English translation and consolidation)

**Office of the Law Commissioner
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NOTE FOR THE READER

The publication at hand by the Office of the Law Commissioner is an English translation and consolidation of the International Trusts Laws 1992 to 2013 [i.e. 69(I)/1992, 20(I)/2012, 98(I)/2013]. The corrigendum published in the Official Gazette of the Republic, Suppl. I.(I), No. 4354 of the 7th September, 2012, has also been included in the text.

However useful the English translation of the consolidated Laws is in practice, it does not replace the original text of the Laws since only the Greek text of the Laws published in the Official Gazette of the Republic is authentic.

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69(I) of 1992
20(I) of 2012
98(I) of 2013.

A LAW TO PROVIDE FOR REGULATION OF INTERNATIONAL TRUSTS

PART I

INTRODUCTION

The House of Representatives enacts as follows:

Short
title.

1. This Law may be cited as the International Trusts Laws, 1992 to 2013.

Interpretation.

2. In this Law, unless the context otherwise requires-

2(c) of 20(I)/2012.

“beneficiary” means a legal or natural person including a person not yet born at the time of the creation of the trust, or a person who is part of a class of people entitled to a right or interest in property which is subject to the trust;

“Court” means the President of a District Court or a Senior District Judge of the district where the trustees or the trustee of the international trust or any one of them who is a resident of the Republic have their residence;

2(c) of 20(I)/2012.

“creditor” means any legal or natural person or persons to whom the settlor owes a debt or other obligation at the time when a trust is created or a disposition of the property held on trust;

2(c) of 20(I)/2012.

“disposition” means any disposition or number of dispositions carried out in any manner and includes any transaction, gift, grant or transfer of property of any nature;

2(c) of 20(I)/2012.

“enforcer” means a person or persons whose duty is to enforce an international trust , with the exception of trusts for charitable purposes in

accordance with section 7(3) herein;

Cap.193. "immovable" has the meaning assigned to this term by the Trustee Law;

2(a) of 20(I)/2012. "international trust" means a trust in respect of which:

(a) The settlor, being either a natural or legal person, is not a resident of the Republic during the calendar year immediately preceding the creation of the trust;

(b) at least one of the trustees for the time being is a resident in the Republic during the whole duration of the trust; and

(c) no beneficiary, whether a natural or legal person, other than a charitable institution, is a resident of the Republic during the calendar year immediately preceding the year in which the trust was created:

118(I) of 2002
230(I) of 2002
162(I) of 2003
195(I) of 2004
92(I) of 2005
113(I) of 2006
80(I) of 2007
138(I) of 2007
32(I) of 2009
45(I) of 2009
74(I) of 2009
110(I) of 2009
41(I) of 2010
133(I) of 2010
116(I) of 2011
197(I) of 2011
102(I) of 2012
188(I) of 2012
19(I) of 2013
26(I) of 2013
27(I) of 2013

Provided that the term "resident of the Republic" has the meaning assigned to this term by the Income Tax Laws, 2002 to 2016:

17(I) of 2014
115(I) of 2014
134(I) of 2014
170 (I) of 2014
116(I) of 2015
187(I) of 2015
212(I) of 2015
135(I)110(I) of of 2016. 2016

Provided further that a trust does not fail to qualify as an international trust by reason only that either the settlor or the trustee or any one or more of the beneficiaries is a partnership or company;

2(c) of 20(I)/2012. “intent to defraud” means the intention of a settlor into dishonestly avoid any obligation which they owe to a creditor;

2(c) of 20(I)/2012. “judgment” means any judgment or award of arbitration issued by a court, or arbitrator or administrative body in any country, irrespective of what any

said judgment may be called, including an order, decision or writ of execution, as well as the determination of costs or expenses of the court or tribunal by the court or arbitrator;

2(c) of 20(I)/2012. “obligation” means an obligation or liability which existed on or prior to the date of a relevant disposition and of which the transferor had knowledge;

2(c) of 20(I)/2012. “personal relationship” includes all forms of relationship either by blood or marriage, including present or former marriage and every form of cohabitation and in particular a personal relationship between two persons, if-

(a) one is the natural or adopted child of the other, irrespective of whether or not paternity or the adoption is recognized by law in force in the Republic or elsewhere, and whether such child is born during or outside marriage;

(b) one is married to the other, irrespective of whether or not the marriage is recognized by law in force in the Republic or elsewhere;

(c) one cohabits with the other, or by virtue of his behavior towards the other, there arises, in any jurisdiction, any rights, obligations or responsibilities analogous to those of a parent and child or husband and wife between them; or

(d) a personal relationship exists between any of these persons and any third person;

2(c) of 20(I)/2012. “protector” means a person other than the trustee to whom powers of any nature are conferred by the trust instrument creating or evidencing the trust including the power to advise a trustee as to the exercise of the trustee’s

powers or as to the trustee’s right in respect of a consent or veto and includes the power to appoint or remove a trustee;

“purpose trust” or “trust for a purpose” means a trust other than-

(a) Trust with beneficiaries certain individual or legal persons readily ascertainable or not, and

(b) trust with beneficiaries the whole of certain individuals or legal persons which are ascertained with reference to some personal relation or affinity;

“Republic” means the Republic of Cyprus;

of 20(1)/2012. “right to inheritance” means any right, claim or interest arising under the 2(c)

law of any jurisdiction other than that of the Republic in relation to, or against the property of any person which arose, accrued or exists as a

consequence of, or in anticipation of, that person’s death, other than a

right, claim or interest created by will or expressed in any other voluntary disposition by that person or resulting from an express limitation in the

disposition of the property to that person;

2(c) of 20(1)/2012. “subject of discretionary trust” means a legal person or individual who

forms part of a class of persons to whom a distribution may be made in accordance with a discretionary trust or on the basis of the discretionary power of the trustee or of the holder of the power;

“trust” has the meaning assigned to such term by the Trustee Law and includes also the bequest;

“trust property” means property which is held on trust at the relevant period of time;

2(c) of 20(1)/2012. “trustee” means a legal or natural person who holds or has had trust property transferred to him, or is deemed to hold or have had trust property transferred to him, or is expected to have trust property delivered or transferred to him, to be held by him:

2(b) of 20(1)/2012.

(a) for the benefit of a beneficiary irrespective of whether the trustee is also beneficiary of the trust; and/or

(b) for any purpose which is not for the exclusive benefit of the trustee.

Powers under trust provisions.
3 of 20(I)/2012.

2A. The powers and authorities conferred on the trustee, protector, settlor and enforcer by the provisions of this Law, respectively, shall be supplemental to the powers and authorities which may be conferred on them in accordance with the terms of an international trust and the powers and authorities of this Law apply if and so far only as a contrary intention is not expressed in the terms of the trust and shall have effect subject to the terms of the trust and shall be subject to the terms of the same.

PART II

PROVISIONS APPLICABLE TO INTERNATIONAL TRUSTS

Validity of international trust.
4(a) (i) of 20(I)/2012
4(a) (ii) of 20(I)/2012
4(a) (iii) of 20(I)/2012.

3.-(1) A settlor who transfers or disposes in any way an asset to an international trust shall be deemed to have the capacity so to do if such person is at the time of such transfer or disposal of full age and of sound mind, under the law of the country of which he is resident.

4(b) of 20(I)/2012. **(1A)** Subject to the provisions of subsection (1) and the terms governing the trust, all matters arising in respect of an international trust or any disposition of property under such trust, including, without any limitation, any matters concerning:

(a) the validity, interpretation or effect of any trust or disposition or any variation thereof;

(b) the validity or effect of any transfer or other disposition of property in trust;

(c) the management of the trust, whether it is carried out in the Republic or elsewhere, including matters concerning the functions, appointment or removal of trustees, protectors and enforcers of a trust;

(d) the existence and extent of any functions in relation to the trust, including, without limitation, the powers to vary, revoke and make any appointment as well as the validity of the performance of any such functions;

(e) the powers, obligations or duties of trustees, protectors or enforcers of a trust or regarding the duties or rights of trustees, protectors and enforcers of a trust;

shall be determined in accordance with the law in force in the Republic, without reference to the law in force in any other jurisdiction:

Provided that, the law in force in the Republic or in any other country in respect of any inheritance or succession shall not in any manner affect, in accordance with the above, the transfer or disposition or validity of any international trust.

4 (c) (i) of 20(I)/2012

4 (c) (ii) of 20 (I)/2012

4 (c) (iii) of 20 (I)/2012. Republic or of the law of any country, an international trust shall not be void or voidable and no claim may be brought in respect of assets transferred to an international trust in the event of the settlor's bankruptcy or liquidation or in any action or proceedings against the settlor at the suit of his creditors and notwithstanding further that the trust is voluntary and without consideration having been given for the same, or is made on or for the benefit of the settlor, the spouse or children of the settlor or any of them, unless and to the extent that it is proven to the satisfaction of the Court that the international trust was made with the intent to defraud the creditors of the settlor at the time when the payment or transfer of assets was made to the trust. The onus of proof of such intent lies on his creditors.

(3) An action against a trustee of an international trust pursuant to the provisions of subsection (2) must be brought within a period of two years from the date when the transfer or disposal of assets was made to the trust.

4(d) of 20(I)/2012.

(4) No international trust and no disposition of property to or under such a trust, shall be void, voidable, or liable to be set aside or subject to any implied term, nor shall the capacity of any settlor, trustee, enforcer, protector or beneficiary be questioned, and no settlor, trustee, enforcer, protector, beneficiary or third party shall be subject to any obligation or liability or be deprived of any right, claim or interest, by reason that:

(a) the applicable laws of any jurisdiction prohibit or do not recognise the concept of a trust, or

(b) the trust or disposition –

(i) invalidated or eliminated or potentially invalidated or eliminated the rights, claims, interests, obligations or liabilities conferred or imposed by the law of any jurisdiction on any person:

- by reason of a personal relationship to a settlor or any beneficiary, or subject of a discretionary trust or power of any nature, or

- by way of right to inheritance, or

(ii) is contrary, or could potentially be contrary to any Law or any judicial or administrative judgment, order or action of any other jurisdiction intended to recognise, protect, enforce or give effect to any such rights, claims, interests, obligations or liabilities, whether by seeking to invalidate the trust or disposition or by imposing any obligation or liability or otherwise on a settlor, trustee, enforcer, protector, beneficiary or third party.

Presumption
against avoidance
of international
trust.

4. Unless an international trust contains an express power of revocation it shall be deemed to be irrevocable by the settlor or his legal personal representatives, notwithstanding that it is voluntary.

Powers of the settlor.

4A.-(1) Notwithstanding the provisions of any other Law or Regulations, the

5 of 20(I)/2012. reservation or granting to a settlor of a trust of any right or interest to the trust property or any of the powers mentioned in subsection (2) of this section, whether reserved to the settlor or conferred on him in his capacity as protector or enforcer of the trust or otherwise, shall not in any way affect the validity of the trust nor delay the execution of the trust.

(2) The powers referred to in subsection (1) of this section are the following:

- (a) to revoke or amend the terms of a trust or any trusts or powers arising wholly or partly under it;
- (b) to advance, distribute, pay or otherwise apply income or capital of the trust property or to give directions for the making of such advancement, distribution, payment or application;
- (c) to exercise the powers of a director or officer or issue binding directions as to the appointment or removal of a director or officer of any company, wholly or partly owned by the trust;
- (d) to give binding directions to the trustee in connection with the purchase, retention, sale, management, lending, pledging or charging of the trust property or the exercise of any powers or rights arising from such property;
- (e) to appoint or remove any trustee, enforcer, protector or beneficiary;
- (f) to appoint or remove any investment manager or investment adviser;
- (g) to change the applicable law governing the trust or the forum for the administration of the trust;
- (h) to restrict the exercise of any power or discretion of a trustee by requiring that they are only exercisable with the consent of the settlor or any other person expressly specified in the terms governing the trust.

(3) Where a power referred to in subsection (2) has been reserved by or granted to the settlor either in his capacity as settlor, protector or enforcer of the trust, a trustee who acts in accordance with the exercise of the power is not deemed to be acting in breach of trust.

(4) Where any power referred to in subsection (2) has been reserved by the settlor, or conferred on him in his capacity as protector or enforcer of the trust, no intention to defraud may be imputed to the settlor for the purposes of section 3(2).

Duration of
international trust.
6 of 20(1)/2012.
20(1) of 2012.

5.-(1) In respect of an international trust created on or after the commencement of this Law and subject to the terms of the trust:

(a) there shall be no limit on the period for which a trust continues to be valid and enforceable, and

(b) no rule against perpetuities or remoteness of vesting or any analogous rule applies to a trust or to any advancement, appointment, payment or application of property from a trust.

(2) Except where the terms of a trust expressly provide to the contrary, no advancement, distribution, appointment, payment or application of income or capital from the trust to another trust shall be invalidated solely because the other trust continues to be valid and enforceable beyond the date on which the first trust must terminate.

Validity of terms
for non
distribution of
income.

6. A direction in an instrument creating an international trust for non distribution of income is valid for any period within the duration of the trust.

7.-(1) Subject to the provisions of the Constitution of the Republic and notwithstanding the provisions of any other Law or Regulations of the

Republic or any other country, an international trust shall be deemed to be charitable where the trust has as its main purpose the achievement of one or more of the following:

- (a) the prevention or relief of poverty;
- (b) the advancement of education;
- (c) the advancement of religion;
- (d) the advancement of health or the saving of lives;
- (e) the advancement of citizenship or community development;
- (f) the advancement of the arts, culture, heritage or science;
- (g) the advancement of amateur sport;
- (h) the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity;
- (i) the advancement of environmental protection or improvement;
- (j) the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage;
- (k) the advancement of animal welfare and protection of animals; (l) any other purpose beneficial to the public in general or which may reasonably be considered to be relevant to any of paragraphs (a) - (k) above.

(2) An international trust established for one or more of the objects or purposes set out in subsection (1) shall be deemed to be charitable, notwithstanding that-

- (a) The object or purposes are not of a public nature or for the benefit of the public, but may benefit a section of the public, or that it may also benefit privately one or more persons or objects or persons within a class of persons; or
- (b) the international trust is liable to be amended or to be terminated whether by the exercise of a power of appointment or disposition of assets; or

(c) the trustee has the power to defer the distribution of the benefits to any charity of the trust for a period not exceeding the period of the trust; or

(d) the international trust is or is deemed to be in the class of discretionary trusts.

(3) Notwithstanding any legal provision to the contrary of the law of the

Republic or the law of any other country, an international trust shall not be void or voidable by reason only that the trust is a trust for a purpose, provided that when the trust is not a perpetual trust or when it may be

terminated, the instrument creating the trust shall specify the event or the events upon which the trust terminates and provides for the disposition of

the net assets of the trust upon its termination. An international trust so

7 (b)(i) of 20(I)/2012 created shall be enforceable by the settlor or his personal representatives

7(b)(ii) of 20 (I)/2012.

or enforcer.

Authorised **8.-(1)** Subject to the provisions of the instrument creating an international investments. trust, the trustee may at any time invest the whole or any part of the trust

funds in any kind of investment that he could make if he were absolutely

8 (a) of 20(I)/2012. entitled to the assets of the trust:

(a) Wherever the investment is situated; and

(b) whether or not the funds have already been invested.

(2) The trustee may vary the investment or retain it in its original state, as long as he exercises the diligence and prudence that a reasonable person would be expected to exercise in making investments.

8(b) of 20(I)/2012.

(3) The trustee may hold, retain or invest in any movable property in the Republic and overseas including shares in companies incorporated in the

Republic and in immovable property located in the Republic or overseas:

Provided that this right applies to both movable and immovable property

20(l) of 2012. lawfully held or acquired by the trustee prior to the commencement of this Law.

Power to **9.** If the terms of an international trust so provide the applicable law of the change the applicable trust may be changed to or from the law of the Republic provided that: law of the international trust.

- (a) In case of a change from the law of the Republic, to another law, the new applicable law would recognize the validity of the trust and the respective interests of the beneficiaries;
- (b) in case of change from another law to the law of the Republic, such change is recognized by the applicable law of the trust previously in effect.

Variation of international trust by the Court.

10.- (1) Subject to the provisions of subsection (2), the Court may on application by order to approve, if it thinks fit, any arrangement which varies or revokes the terms of an international trust or enlarges or modifies the powers of management or administration of the trustees, on behalf of the persons stated hereinafter, whether or not there is another beneficiary who is capable of assenting to the amendment:

- (a) Any person incapacitated at law having directly or indirectly an interest whether vested or contingent under an international trust; or
- (b) any person, whether ascertained or not, who may become entitled, directly or indirectly, to an interest under an international trust as being the person, which at a future date or on the happening of a future event shall be a person of any specified description or a

member of any specified class of persons referred to in the instrument creating the international trust; or

(c) any person unborn; or

(d) any person in respect of any interest of his that may arise to him by reason of any discretionary power given to any one on the failure on determination of an existing interest that has not yet failed or determined; or

9 (a) of 20(1)/2012.

(e) any other person with permission of the Court.

(2) The Court shall not approve an arrangement on behalf of any person coming within paragraphs (a), (b) or (c) of subsection (1), unless it is satisfied that the proposed arrangement appears to be for the benefit of that person, but without substantial prejudice of the interests of other interested persons.

(3) Where in the management or administration of an international trust the Court thinks useful the sale, lease, pledge, charge, surrender, release or in other way disposition, or the purchase, investment, acquisition, expenditure or other transaction which cannot be effected by reason of the absence of any power for that purpose vested in the trustee by the terms of the international trust or by Law, the Court may confer on the trustee, either generally or in any particular circumstance, a power for that purpose on such terms and subject to such provisions and conditions as it thinks fit, and may direct in what manner and from what assets any money authorised is to be expended, and the costs of any transaction are to be borne.

(4) An application to the Court under this section may be made by the trustee or by or on behalf of any beneficiary.

9(b) of 20(1)/2012. (5) Without prejudice to any power of the Court to vary the terms of the trust in

accordance with subsections (1) to (4) of this section, a trust may be varied in any manner provided by the terms that govern it.

Confidentiality 11.- (1) Subject to the terms of the instrument creating an international trust relating to international and if the court does not issue an order for disclosure according to the trusts.

10(a) (i) of 20(I)/2012

provisions of subsection (2), the trustee, protector, enforcer or any other

10(a) (ii) of 20(I)/2012

10(a) (iii) of 20(I)/2012. person, cannot disclose to any person who has no right by law to know documents or information:

- (a) By which it is disclosed the name of the settlor or of any beneficiaries;
- (b) by which it is disclosed the trustee's deliberations as to the manner in which a power or discretion was exercised or a duty conferred or imposed by the law or by the terms of the international trust was performed;
- (c) by which it is disclosed the reason for any particular exercise of such power or discretion or performance of duty or the material upon which such reason has been or might have been based;
- (d) by which it relates to the exercise or proposed exercise of such powers or discretions or the performance or proposed performance of such duty;
- (e) which relate to or form part of the accounts of the international trust:

10(b) of 20(I)/2012. Provided that where a request is made by a beneficiary to the trustee for the disclosure of the accounts of an international trust or any documents or information relating to proceeds and payments made by the trustees forming part of the said accounts, the trustee shall have the power to disclose those accounts, documents or information to the beneficiary only if in his opinion such disclosure is necessary and secures the lawful interests of the trust.

(2) Notwithstanding the provisions of any other law and subject to the

provisions of subsection (3), a court before which civil or criminal proceedings are pending may by order allow the disclosure of the

documents or information referred to in subsection (1) after an application submitted by a party in the said civil or criminal proceedings, as the case may be.

10(c) (i) of 20 (I)/2012
10(c) (ii) of 20 (I)/2012.

(3) The court issues an order under subsection (2), if satisfied that the

disclosure of the documents or information referred to in subsection (1) is material for the outcome of the proceedings.

10(d) of 20(I)/2012.

(4) For the purposes of this section “documents or information” includes documents or information stored in electronic computers and in such a case an order for disclosure is executed by the disclosure or giving of the the documents or information in visible, readable and portable form.

10(e) (i) of 20(I)/2012.
10(e) (ii) of 20(I)/2012.

11A.-(1) A trustee may file an application to the Court for directions regarding the manner in which he may or should act with regard to any matter concerning an international trust and the Court may issue any order as provided for in subsection (2):

Powers of the Court.
11 of 20(I)/2012.

Provided that the application for directions shall be directed to the president of a district court.

(2) The Court may-

(a) issue an order concerning: -

(i) the execution or the administration of any trust,

(ii) the trustee or protector of any international trust, including an order concerning the exercise of any power, discretion or duty of the trustee or of the protector, the appointment or removal of a trustee or protector, the remuneration of a trustee or protector, the filing of accounts, the conduct of the trustee or protector and payments to the Court or otherwise, (iii) the beneficiary or any person with a connection to the trust, or

(iv) the appointment or removal of an enforcer of a trust in relation to any non-charitable objects of the trust;

(b) make a decision or declaration as to the validity or the enforceability of a trust;

(c) rescind or vary any order or declaration made under this Law, or make any new or subsequent or further order or decision.

(3) (a) An application to the Court for an order or decision in accordance with subsection (2) may be made by a trustee, beneficiary or protector and by any other person with the permission of the Court;

(b) An application made to the Court for the issue of an order or decision in accordance with subsection (2) may be made by the trustee, the settlor or by his personal representatives or by the enforcer of the trust, or by any other person with the permission of the Court.

(4) Where the Court issues an order for the appointment of a trustee it may impose such terms as it deems fit, including terms in relation to vesting trust property.

(5) Subject to any order of the Court, the trustee, protector or enforcer of the trust appointed in accordance with this section shall have the same powers, discretions and duties and may act in such manner as if such trustee, protector or enforcer had been originally appointed as a trustee, protector or enforcer, respectively.

12.-(1)(a) The income and profits of an international trust which are earned or deemed to have been earned from sources within and outside the Republic shall be subject to every form of taxation imposed in the Republic in the case of a beneficiary who is resident in the Republic;

(b) In the case of a beneficiary who is not a resident in the Republic, the income and profits of an international trust which are earned or deemed to have been earned from sources within the Republic shall be subject to every form of taxation imposed in the Republic.

(2) Notwithstanding the provisions of the Stamp Law an instrument creating an international trust shall be liable to stamp duty at a fixed rate of four hundred and thirty euros (€430.00) or such other amount as may from time to time be prescribed by the Council of Ministers.

19 of 1963
21 of 1967
36 of 1968
17 of 1969
26 of 1971
38 of 1972
79 of 1977
29 of 1980
8 of 1984
160 (l) of 1991
60(l) of 1992
68(l) of 1994
1 (l) of 1995
9 (l) of 1998
121 (l) of 2002
222 (l) of 2002
179 (l) of 2004
209 (l) of 2004
130 (l) of 2007
152 (l) of 2007
173(l) of 2012
92(l) of 2015 211(l)
of 2015.
12(b)of20(l)/2012.

PART III
JURISDICTION, APPLICABLE LAW
AND FOREIGN LAW TRUSTS

Principles of **12A.-(1)** Subject to the provisions of subsection (1A) of section 3, any trust choice of applicable law. shall be governed by the law chosen by the settlor:
13 of 20(I)/2012.

Provided that the choice must be express or implied in the terms of the instrument creating or evidencing the trust, which shall be interpreted, if deemed necessary, in the light of the circumstances of each case.

- (2) An express or implied choice of the law of the Republic in accordance with subsection (1) is valid, effective and conclusive irrespective of the circumstances.
- (3) Where the law chosen in accordance with subsection (1) does not provide for trusts or the specific category of trusts concerned, the choice shall not be valid and the law mentioned in subsection (4) shall apply.
- (4) Where no choice of law has been applied, the trust shall be governed

by the law with which it is most closely connected:

Provided that for the purpose of determining the law most closely connected to the trust, the following matters shall be taken into consideration:

- (a) the state in which the administration of the trust is carried out as designated by the settlor;
- (b) the state in which the assets of the trust are located;
- (c) the state of residence of the trustee;
- (d) the objects of the trust and the states where they are to be fulfilled.

(5) In cases where subsection (4) is applicable and in accordance with which, the law most closely connected to the trust is the law of the Republic, the application of the law of the Republic shall be valid, effective and conclusive, irrespective of other circumstances.

Jurisdiction.
13 of 20(I)/2012.

12B. Without prejudice to the provisions of Council Regulation (EC) No. 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, the Court shall have jurisdiction where:

Official
Journal of the
EU, L.67,
27.2.2008.

- (a) the governing law of a trust or a particular aspect of a trust is the law of the Republic;
- (b) the trustee of any trust is resident in the Republic;
- (c) in the case of a company acting as a trustee company offering administrative services, provided that it is incorporated in the Republic;
- (d) any trust property is situated in the Republic;
- (e) the administration of any trust is carried out in the Republic;
- (f) the parties submit to the jurisdiction of the Court;
- (g) the instrument creating or evidencing the trust contains provision for the

referral of any dispute to the jurisdiction of the courts of the Republic:

Provided that such jurisdiction will be exclusive unless the instrument creating or evidencing the trust provides otherwise.

Choice of law
clause.
13 of 20(I)/2012.

12C. The provisions of this Law shall apply to international trusts containing a clause electing the law of the Republic as the governing law, irrespective of any other provisions relating to the rules on conflict of laws applicable in the Republic and shall constitute a fundamental rule of law, whose observance is a matter of public order.

Foreign law trusts.
13 of 20(I)/2012.

12D.- (1) Subject to subsection (2), a foreign trust is governed by and shall be interpreted in accordance with the law applicable in the country of its governance.

(2) A foreign trust is unenforceable in the Republic to the extent that the Court declares that it is contrary to public interest.

Obligation of trustee.
13 of 20(I)/2012.

12E. The trustee shall be bound to comply with and implement the provisions of the Prevention and Suppression of Money Laundering Activities Law.

188 (I) of 2007
58(I) of 2010
80(I) of 2012
192(I) of 2012
101(I) of 2013
184(I) of 2014
18(I) of 2016.

13 of 20(I)/2012. PART

IV

MISCELLANEOUS

Application of
this Law.

13. This Law shall apply to all international trusts created after the commencement of this Law.

Saving of existing
Laws.

14.-(1) The laws of the Republic applicable to trusts and to transfers of assets to trusts in the Republic prior to the commencement of this Law shall continue in force and shall apply to international trusts except in so far as they are inconsistent with or have been modified by the provisions of this Law.

(2) The Laws and Regulations from time to time applicable to investments

14 of 20(I)/2012. made in the Republic by non residents of the Republic shall as well apply to any investments in the Republic made by an international trust.

2 of 98(I)/2013* . **15. (Deleted).**

Transitional **15.** The International Trusts (Amendment) Law, 2012, shall apply to all provisions.
15 of 20(I)/2012, international trusts whenever created and its provisions do not affect the
2 of 98(I)/2013 . validity of any prior valid disposition or transfer.
20(I) of 2012.

* Note: By virtue of section 2 of the International Trusts (Amendment) Law, 2013 [L.98(I)/2013], which entered into force on the 9th September, 2013, section 15 of the principal law was deleted and section 16 thereof was renumbered to section 15.