

## Factsheet for the setup of a Family Office

To design the right structure for a Family Office, its mission has to be clear and the strategic objectives have to be well set

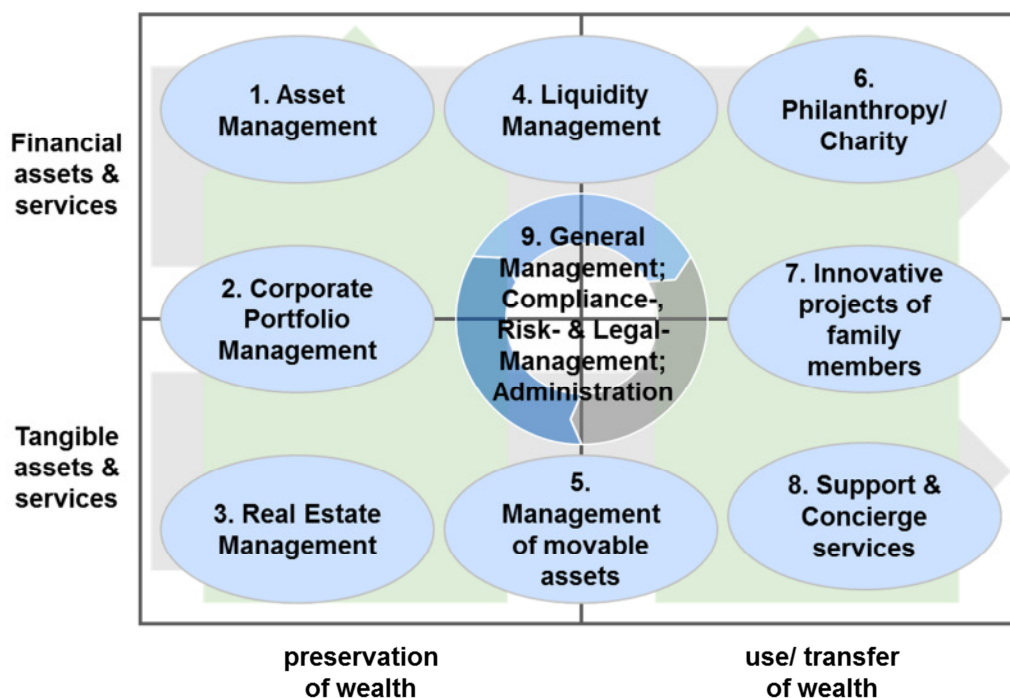
### Mission

- What exactly shall the structure achieve for the family?
- Who are the beneficiaries?
- What role is expected to be taken over by the structure?

### Strategic Objectives

- Wealth objectives
- Family members objectives
- Structure's configuration objectives

Ideally, the identification of value creating activities for the stakeholders/ the family is done in this portfolio



## To operate effectively, Family Office structures normally need to have three organisational layers with clearly defined roles

Layer	Roles: Core elements of organisational layer
<b>1 Family level</b>	<ul style="list-style-type: none"> <li>▪ Mission, fundamentals for behaviour &amp; collaboration with stakeholders/ third parties.</li> <li>▪ Principles for endowment with resources &amp; corporate governance.</li> <li>▪ Reviews results.</li> </ul>
<b>2 Strategic level</b>	<ul style="list-style-type: none"> <li>▪ Specific objectives, long term planning &amp; according emphasis for activities.</li> <li>▪ Active representation for the family if necessary.</li> <li>▪ Core aspects of activities, services &amp; external service partners.</li> <li>▪ Key Performance indicators, reviews results and decides over according actions.</li> </ul>
<b>3 Operational level</b>	<ul style="list-style-type: none"> <li>▪ Daily business and handling of arising problems in the structure.</li> <li>▪ Detailed planning und budgeting, provision of services for the beneficiaries, collaboration with and control of external.</li> <li>▪ Responsible for results and quality of operations, goal-achievement and regular reporting to strategic guiding bodies.</li> </ul>

## Possible jurisdictions in Europe

Countries	Set up	Profit tax / transfer price	Costs of substance	Taxation of employees	Costs of employees	Principal in same location
<b>Switzerland</b>	Easy and fast as Ltd, SRO regulated	Frequently cost + taxation or then ruling for TP	High, but good quality and frequently prestigious	Reasonable and high level of life quality	Expensive, but flexible Labour Law	Lump sum taxation – no /low IHT
<b>Monaco</b>	easy	Taxation as company	Expensive, not easy to find	None (Monaco) high (French resident)	High social security charge, well paid	No taxation but no DTT network! and some IHT
<b>United Kingdom</b>	Easy, FSA regulated	No tax ruling, TP issue, effective place of man. Issue	High	High	Expensive, but a lot of talent on market	Rnd status, no IHT at least first 15 years