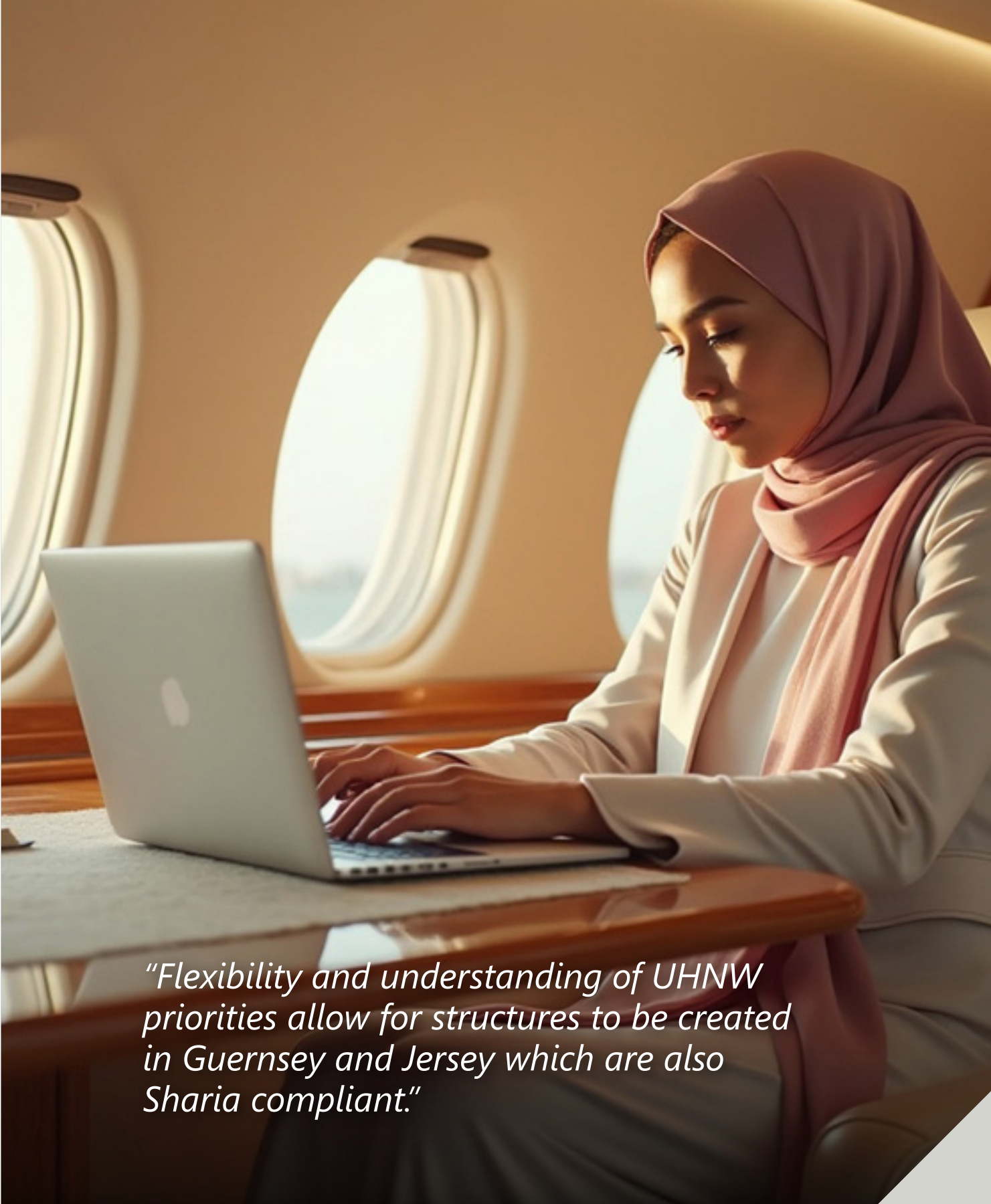


A woman wearing a dark purple hijab is shown in profile, looking out over a city skyline at sunset. The sun is a bright, glowing orb in the sky, casting a warm orange and yellow light over the scene. The city skyline in the background features several tall, modern buildings, with the Burj Khalifa being the most prominent. The woman is standing on a balcony or terrace, with a railing visible in the foreground. The overall mood is contemplative and serene.

TRANSFER OF WEALTH TO WOMEN IN THE MIDDLE EAST

By Mary Humphreys, Trust Manager, Artemis Fiduciaries



“Flexibility and understanding of UHNW priorities allow for structures to be created in Guernsey and Jersey which are also Sharia compliant.”

Studies have indicated that **four in five women from UHNW families** in the region are preparing to inherit substantial wealth in the next 2 decades. This comes off the back of the news that **20-40% of wealth in the region is held by or for (the benefit of) women**.

Historically private wealth in the region has been considered as “family” wealth as opposed to individual wealth which is then managed by male members of the family. Just as the desert sands are shifting, so is the role of women in managing family wealth, with many now increasing their participation within the strategic management of family wealth, along with growing an investment portfolio of their own.

There is a plethora of reasons for this shift, for example more than half of the students graduating in Saudi Arabia are now female, the general move towards liberalisation of society and a more generalised shift of wealth between generations which encourages a reassessment of who and how wealth is managed.

Cultural and religious practices have historically limited female access to advisors, and some women may often feel happier in dealing with a female advisor. This can be attributed to a multitude of factors including an increasing confidence in their own investment decisions and a growing female entrepreneurial sector.

The role of women within wealthy families is certainly evolving. Social and cultural change is prompting a shift in family and banking dynamics, with women now holding similar levels of direct ownership in family businesses and more UHNW women achieving postgraduate qualifications, often at international institutions, compared to the generation of their parents.

Asset protection and succession are key concerns amongst female investors, and this can be reflected in both the choice of investments and the structure in which they are held. Sharia law usually equates to an unequal division of assets between male and female children and parents may wish to invest in assets that are not governed by it.

An example of which, is that **UK Real Estate has for the most part been a desirable investment, especially for those who wish to ring-fence specific assets for daughters** – as Sharia law does not apply to such property. It could be said that they look for assets that are located in good regulatory regimes, where there is transparency and a strong legal system so that their rights and ownership are protected. The growing familiarity with investible assets be that London real estate or other investments, gives the current generation comfort on accessing these markets.

Use of trusts also addresses privacy and security considerations as a trust can provide a protected pot of assets that has limited vulnerability to foreign laws and judgements and whose value and terms are not public information. Trusts can also continue past the death of their creator, ensuring that, for example, daughters' inheritances remain protected.

UHNW from the region, thanks to an improved information flow, travel capabilities and an increased ease of communication, have increasingly been turning to the Crown Dependencies as a jurisdiction of choice.

Over the last 10-15 years the world has seen an unprecedented change in relation to international regulation and oversight, through the implementation of various worldwide anti-money laundering legislation and regulation, FATCA, CRS, economic substance and beneficial ownership laws. This has meant that compliance, anti-money laundering and economic substance have become part of our daily financial vocabulary. UHNW understand that this is a part of doing business and want to make sure that the jurisdiction where sensitive information is held is secure and would not be forced unnecessarily into disclosing information where it is neither appropriate nor in accordance with the applicable legislative protocols.

UHNW continue to see Guernsey and Jersey as the 'gold standard' due to the multitude of experienced service providers in the jurisdictions. A wealth of experienced professionals mean that there is a variety of excellence to choose from within the jurisdictions.

Flexibility and understanding of UHNW priorities allow for structures to be created in Guernsey and Jersey which are also Sharia compliant. A wide variety of structures can be tailored to meet the specific needs, now and in the future. No two structures or family offices are the same, and a governance framework can be put in place to ensure continuity of the family vision.

Some structuring solutions may use any or all the following: foundations, foundation companies, trusts, private trust companies, unit trusts, private investment funds, protected cell companies, segregated portfolio companies, companies limited by shares or guarantee and partnerships, to name a few.

There are many reasons why one jurisdiction is chosen over another, sometimes geographical and time zone convenience, other times location of investment opportunities; with Guernsey and Jersey often used as the main centres for personal structuring to protect, preserve and enhance private capital now and for future generations.

In summary, for Middle East who have exposure to forced heirship rules or who have genuine estate planning needs, trusts and foundations are still hugely relevant, effective and popular.





For more information

please contact Mary Humphreys, Trust Manager at Artemis:

info@artemisci.com

Artemis Fiduciaries is the trading name for all companies within the Artemis Group, including Artemis Trustees Limited, PO Box 100, Plaza House, 5th Floor, Admiral Park, St Peter Port, Guernsey, GY1 3EL. Registered number: 38106.

Artemis Trustees Limited is licensed by the Guernsey Financial Services Commission to conduct fiduciary business. GFSC reference: 134217.

This document is for informational purposes only and does not constitute financial, tax, legal, or investment advice. Artemis Fiduciaries accepts no liability for reliance on this content. Readers should seek professional advice before making any financial or legal decisions.