

# Preparing Foundation Documents

## For more information

Should you require specific advice on **Preparing Foundation Documents**, contact one of the following members of our *Private Client & Wealth Management Group*:

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*The information contained in this guide is provided for the general interest of our readers, but is not intended to constitute legal advice. Clients and the general public are encouraged to seek specific advice on matters of concern. This guide can in no way serve as a substitute in such cases.*

We require the following information in order to prepare the draft Foundation Charter and to complete the Information Statement which must be submitted to the Registrar General:

1. Name of the Foundation.
2. The purposes or objects of the Foundation.
3. The name and address of the Founder and the address in The Bahamas for the service of documents on the Founder.
4. The name and address of the Secretary (if appointed) (who must be a licensed financial and corporate services provider or a licensed trust company) or the Foundation Agent (if appointed) in The Bahamas.
5. Will a Foundation Council or other supervisory body be appointed prior to the registration of the Foundation? If so, please provide the name and address of the registered office of such Foundation Council or other supervisory body (in the case of a corporate entity) or the names and addresses of the members of the Foundation Council which must include at least two members, in the case of individuals. The Foundation Council or its members need not be resident in The Bahamas.
6. The address of the registered office of the Foundation (which must be the address of the Secretary or such other person performing the statutory duties).
7. The period for which the Foundation will be established.
8. The value of the initial assets (which must be a minimum of US\$10,000 or B\$10,000 or the equivalent in any other currency). If the initial assets consist of assets other than cash, please provide the value of such assets in US dollars.
9. Will a Protector be appointed? If so, please provide the names of such Protectors.
10. The names of the Beneficiaries.
11. How are the assets of the Foundation to be distributed during the Founder's lifetime? e.g. at specified intervals or at the discretion of the Foundation Council (if appointed).
12. How are the assets of the Foundation to be distributed after the Founder's lifetime?
13. In the event of the winding up of the Foundation to whom will the assets of the Foundation be paid if there are no remaining Beneficiaries or if the remaining Beneficiary refuses to accept

the transfer of the remaining assets of the Foundation? e.g. to a charity.

#### Additional Information

##### Fees-Legal services-Higgs & Johnson

The fee for drafting the Foundation Charter for individuals is a minimum of US\$2,000 plus disbursements. A model Charter for an institution costs a minimum of US\$5,000 plus disbursements.

##### Fees-H&J Corporate Services Ltd

There is a registration fee of \$1,000. The annual fee for acting as Secretary is US\$1,600. Any other services will be provided on a time spent basis. H&J Corporate Services Ltd will only act as Secretary/Foundation Agent; it will not provide Foundation Council members. Financial statements must be kept at the registered office or elsewhere as approved by the Foundation Council. When H&J

Corporate Services Limited acts as Secretary/Foundation Agent, the balance sheet must be signed by the Foundation Council.

##### Government Fees

These are US\$500 per annum charged on a quarterly pro-rata basis depending on the date of registration.

Please note that the following must be contained in all business letters, order forms, receipts for goods and services by the Foundation:

- i. Legal name of Foundation;
- ii. Place of registration of Foundation;
- iii. Foundation's registration number; and
- iv. Address of registered office.

Copies of all resolutions/meetings of the Foundation Council (if appointed) must be kept at the registered office.