








KEY TAKEAWAYS

STEP Cayman Conference 2024

Lawyers from our Cayman Private Capital & Trusts and Insolvency & Dispute Resolution practice groups recently attended the STEP Cayman Islands 2024 conference, where they partook in lively discourse on navigating private wealth structuring with our industry colleagues.

They have identified their key takeaways from the conference, which focused on wealth structuring for the modern family.

<p>Undue influence isn't always obvious. Trustees need to ask the right questions and get to know their clients' character. To avoid undue influence issues down the line, get to learn what your client's "normal" looks like so you can identify changes in their behavior, wishes and goals.</p>	 <p>Monique Bhullar Partner Cayman Islands +1 345 814 6838 monique.bhullar@walkersglobal.com</p>
<p>Technology has endless potential but technology is not the issue - it's the deployment of that technology in a way that is unethical and irresponsible. So develop a strategy document where you think about how you use AI and how you mitigate risks such as breach of confidentiality and breach of data protection.</p>	 <p>Lucy Diggle Partner Cayman Islands +1 345 914 4250 lucy.diggle@walkersglobal.com</p>
<p>Section 64A of the Trusts Act (2021 Revision) enables the Grand Court of the Cayman Islands to cut through the "conceptual thickets" erected by the UK Supreme Court's decision in <i>Pitt v Holt</i> [2013] 2 A.C. 108. As Mr. Justice Kawaley stated in <i>Maples Trustee Services (Cayman) Ltd. v AB and others</i> (unreported, 28 September 2023), this provision can confidently be construed as intending to facilitate a flexible approach to setting aside the flawed exercise of fiduciary powers and the courts will generally be obliged to give effect to this important legislative purpose.</p>	 <p>Daisy Boulter Senior Counsel Cayman Islands +1 345 914 4214 daisy.boulter@walkersglobal.com</p>
<p>Cayman Islands Foundation Companies are incredibly flexible entities with significant scope to tailor and adapt to each client's bespoke needs. Whilst there are still a lot of open questions and uncertainty around treatment of Foundation Companies from an onshore perspective, we should expect to see an increase in the use of Foundation Companies as modern wealth planning vehicles as familiarity with these entities grows.</p>	 <p>Chloe Haddow Associate Cayman Islands +1 345 814 4627 chloe.haddow@walkersglobal.com</p>
<p>Trust advisors need to be creative when drafting new trust deeds to avoid problems arising from jurisdictional differences in how a person's "issue" is defined. This is an increasingly complex subject due to changes in society and technology affecting the areas of surrogacy, adoption, gender identity and posthumous conception.</p>	 <p>James Glover Associate Cayman Islands +1 345 916 6321 james.glover@walkersglobal.com</p>
<p>When the trustee is seeking the blessing from the Court, the trustee has to ask the right questions and seek the blessing of an actual decision. Procedurally the trustee needs to have the right people before the Court so their interests are considered. Full disclosure, expert evidence etc. And as part of the application, say what claims the trustee is seeking protection from.</p>	 <p>Thea Maitland Associate Cayman Islands +1 345 914 4276 thea.maitland@walkersglobal.com</p>
<p>Advisors need to keep on top of rules and regulations governing AI, such as the EU's draft AI Act, which will come into force in 2026, as the potential penalties for breaches are severe.</p>	 <p>Rebecca Moseley Associate Cayman Islands +1 345 914 4294 rebecca.moseley@walkersglobal.com</p>