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Home



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JACK'S CORNER

Marina and I just returned from two weeks in Dubai and Johannesburg where we established some good friendships and engaged in some new business opportunities. I made mention of Johannesburg below so let's focus on Dubai. **INCREDIBLE...**'nough said. No, really, this was our third visit and we still found ourselves dumbfounded by the colossal developments sprouting up from this previously sand only enclave in the Gulf. A run through The Raffles Hotel at Wafi City, which will open in October 2007, is enough to make you appreciate the finer aspects of life. Not surprisingly, we chose The Raffles Hotel to be the location of the Asia Offshore Association March 2008 conference. Hey, if you want to have a conference in Dubai, then let's have a conference that truly speaks to the amazing transformation of this desert into a "world city". To avoid being just another city with tall buildings, the Dubai International Financial Center is crafting what will almost certainly become one of the leading organizations of its kind. The commitment to excellence is communicated in every thing the DIFC does, including the spectacular buildings that span nearly 2 miles in the heart of the central business district and will boast office space for those choosing to benefit from the advantages of the regulatory regime, a shopping mall of significant splendor and even a Ritz Carlton! The Dubai stock market is small, but boasts some international standard companies. I think it would be less than prudent for an international investor not to keep an eye on this developing market. The brokers I met were very much open to sharing their local knowledge to ensure foreign investors benefit from the local market. Some of the other endearing qualities of Dubai are the safety (very little crime) and the fact that all local people are actually benefiting from the wealth being generated. Yes, I heard people make mention that they never fear being anywhere in Dubai and the famous "trickle down effect", which is failing virtually everywhere else in the world, actually works in Dubai!!! As someone who travels quite a bit, I must encourage you to parachute into Dubai the next time you are anywhere in the vicinity. Oh, yes, plan to spend a day in Abu Dhabi as well. OK, it is more established and no where near as flashy as Dubai. However, you need to see the plans for [Saadiyat Island](#) where USD30 billion is being spent to develop unparalleled resorts, luxury flats and a cultural district that will include, among others, recreations of the Louvre and the Guggenheim museums. I love New York, think London is special and will always return to my home, Hong Kong. However, Dubai and Saadiyat Island just made it to the top of that list as must visit destinations!!!

Onwards and upwards...



GCSL NEWS

GCSL ANGUILLA CELEBRATES TURNING ONE YEAR YOUNG!

On September 1, 2007, GCSL Anguilla celebrated its first anniversary of activities. It was on this day, one year earlier, that Twana and I, working from our respective homes, set out to furnish and make operational the GCSL Anguilla office in the Hansa Bank Building.

It is safe to say that it was a labor of love since we were both changing jobs and starting anew with a new firm, new employer, new rules and procedures and a new focus.

While Twana worked on administrative matters, I was tasked with applying for and processing our 3 license applications through the regulatory process. It was rather odd having to submit these applications to the same person I had spent the previous few weeks training how to process them, and to the organization where I had spent the previous 7 years granting. However, it was to be done and I did it.

Since then, GCSL Anguilla has added 3 more licences in the areas of mutual fund management and administration and insurance. In addition, we have added a second staff member, Sonia Richardson, and now provide office space to our insurance consultants whose local Managing Director, Collin Meade, sits with us at the Hansa Bank and who joined us for our celebratory dinner at the Cuisinart Resort.

Much has happened in the past 12 months and much more shall occur. GCSL Anguilla is now the largest local registered office/registered agent. In addition, we have established mutual/hedge funds, domiciled trusts, formed local domestic and protected cell companies, set-up a captive insurer, gained 5 overseas agents and serve as the brass-plated office and added much value to clients locally and abroad.



In our promotional efforts, I have traveled far and wide adding the name of Anguilla to the world of offshore. From Puerto Rico to Bangkok, Hong Kong, Singapore, Malaysia, Dongguan (China) in Asia, both coasts of the USA, and South Africa, service providers who knew not the name Anguilla and never heard of GCSL Anguilla now know us and know what we can do. In these and other endeavors, I have been supported by our CEO Jack, marketing director, Marina, head office staff in Hong Kong, especially Hanna, Tony, Cathy, Susan, Jacqui and Johnson, my travel companions from other GCSL offices, Carlo, Lawrence and Puai, and of course Sonia and Twana. To you all, I say thanks for the effort and support; the criticisms, opinions and words of praise and appreciation. All are appreciated equally.

And a special thanks to our clients!!!

Over the next 12 months, GCSL Anguilla shall occupy larger office spaces from which we intend to make great things happen. We will work harder, work more efficiently and effectively, provide a better service, travel more and yes, have more fun. Thanks for making GCSL Anguilla's first 12 months, hard work, a period of professional growth and development and yes, at some times, a period of fun. Thanks once again.

HAPPY THOUGHTS FROM JOHANNESBURG, SOUTH AFRICA

As my friends know, I like to sip a bottle or two of wine every now and again. This was particularly true during our recent visit to Johannesburg where Marina and I joined Lanston Connor, Anguilla Company Registrar, and Carlyle Rogers, GCSL Anguilla Managing Director, in making a presentation to sixty independent financial advisors and members of STEP South Africa. Thanks, Harry!!! Johannesburg proved to be a very pleasant city with friendly people, good food, great wine and a very nice climate. Yes, the locals will tell you crime is an issue...but that is pretty much true in all large cities and an ounce of common sense will usually lead you far from the places you should never visit in the first place.

In any event, back to the opportunity to participate in my favorite "sport"...every night : A few ditties from the wine list of The Meat Company (never saw a wine list where reds were first, whites and champagnes follow - in all restaurants) are worthy of mention.

"I drink it when I'm happy and I drink it when I'm sad. Sometimes I drink it when I'm alone.

When I have company, I consider it obligatory. I trifle with it when I'm not hungry and I drink it when I am. Otherwise, I never touch it - unless I'm thirsty." Madame Bollinger

"What contemptible scoundrel stole the cork from my lunch." Anonymous

"I have enjoyed great health at a great age because everyday since I can remember I have consumed a bottle of wine, except when I have not felt. Then I have consumed two bottles." Legendary

And a photo from our truly African evening at Moyo...Lanston and Carlyle were impressed with the painting skills of the resident artist 😊



INTELLIGENT REPORTERS

I was reading an article in Time Magazine (June 18, 2007) regarding Hong Kong and I had to tip my hat to reporters Austin Ramzy and Peter Ritter for the following description of my favorite city:

"Hong Kong is a pulsating organism made up of the most enterprising conglomeration of humanity the world has ever known."

AOA HO CHI MINH CITY CONFERENCE - BACK TO SAIGON, OCTOBER 31 TO NOVEMBER 2, 2007

Marina and Jack recently visited Ho Chi Minh City to finalize plans for the Asia Offshore Association's next conference to be held at The Sofitel Plaza Saigon from October 31 to November 2, 2007. We are especially honored to have Marshall Langer, an internationally renowned tax expert and member of The AOA Wise Men Committee, as our Keynote Speaker. Peter Kung, the first

member of the AOA Wise Men Committee, also will update our delegates regarding the Greater China Region. We also are pleased to have AOA Global Advisory Committee Members Tran Anh Duc (Vietnam), Eric Baier (Austria), Peter Economides (Cyprus) and Josh Bennett (USA) speaking on matters relevant to Vietnam and the international arena. We equally are excited to have Brett Ashton (Savills Vietnam) speaking about the booming Vietnam property market. The AOA Executive Committee has decided to have a "Trick or Treat" Opening Cocktail & Dinner Poolside Party with special young guests from the Christina Noble Ho Chi Minh City Orphanage (www.cncf.org). Please visit www.asiaoffshore.org to learn more about AOA Ho Chi Minh City - Back to Saigon.

AOA WWW SITE

The Asia Offshore Association is back online with a new look, new functionality, new Executive, Global Advisory and Wise Men Committees. The new Members Only section will be sure to please as it will include articles, country updates and more for our loyal members. Please visit www.asiaoffshore.org for a browse!!! And smile as you no doubt conclude that "Jack's secret weapon" (aka Marina) is the true brains and heart behind the AOA and its new WWW site.



GLOBAL UPDATE

GLOBAL : SOCIAL RESPONSIBLE INVESTING - PART 1

Social Responsible Investing (SRI) has really taken prominence this year due mostly to media headlines on global warming and climate control. This has driven public awareness on how consumers are consuming the earth's resources and big businesses (through bad practices) are damaging the environment.

GCSL has gotten into this area through assisting a client in setting up the Mandarin Global Carbon Fund, an offshore hedge fund that invests in Carbon Assets. This led us to attend an environmental investment conference organized by Business Environmental Council of Hong Kong as well as specialized workshops on Carbon trading.

SRI - or ethical investing as it known - is an investment strategy being increasingly advocated by shareholder advocacy and environmental investors to invest in businesses that have a clear corporate SRI and Environmental Social Governance (ESG) policy. SRI is not a fad - it is big business. The Social Investment Forum estimates assets in socially screened portfolios climbed to USD2.15 trillion in 2003 in the US and the European SRI market grew from €1 trillion in 2005 to €1.6 trillion in 2007.

Investors and corporations alike are looking at ways to invest in greener technologies, not just for socially responsible reasons, but also because these financial vehicles provide better returns. One example is the burgeoning Carbon Emissions Market (introduced in our July newsletter). Investor demand is so large for this category of SRI investing that large online exchanges are setting up to cater to the demand for trading this SRI-asset classes. Chicago Climate Exchange and Australian Climate Exchange are two new exchanges where you can trade Carbon Emission Certificates under the Clean Development Mechanism of the Kyoto Protocol.

GCSL cautions clients not to invest in SRI products until you fully understand the investment. The economic returns of SRI are still being tested and we watch the development of the new carbon trading markets with much interest.

In the coming month's newsletters, we will be inviting experts in SRI and ESG to provide articles in our newsletters to raise awareness. Sustainable business within a sustainable environment is a global issue relevant to all of us - so watch this space.

*Contributed by Tony Chan, General Manager - Fiduciary Services, GCSL Hong Kong
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DUBAI FIGHTING FRAUD

The Dubai Financial Services Authority ("DFSA"), which regulates all financial companies registered within the DFSA, recently enacted rules requiring firms to set up systems and controls specifically to prevent fraud and to report suspected cases. As most fraud is committed by company insiders, such as directors, senior managers and long serving employees, financial services firms, particularly those handling clients' monies, will be required to have a robust anti-fraud strategy in place. The DFSA has indicated it will be looking at these issues more closely in their risk assessment and monitoring visits.

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CZECH REPUBLIC: LOWER AND FLAT TAXES...CZECH REPUBLIC IS A GUIDING LIGHT FROM THE NEW EUROPE

The Chamber of Deputies of the Czech Republic voted in some aggressive new tax legislation in August. Starting in 2008, the legislation will gradually reduce corporate and personal income taxes, cut social spending and introduce cash fees for health care. The new legislation still requires Senate approval and the President's signature, but no resistance is expected. The reform package will gradually lower the corporate tax rate from today's 24% to 21% in 2008, 20% in 2009 and 19% in 2010. The existing progressive taxation of personal income at 12% to 32% will be replaced by a flat tax of 15% in 2008 and 12.5% in 2009. The personal income tax will be calculated from "super-gross income", which includes social and health insurance contributions paid by the employee and the employer. This means effective taxation will be 23.1% of "super gross income" in 2008 and 19.4% in 2009.

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HONG KONG UPDATE

THE GATES TO THE MIDDLE KINGDOM OPEN AND THE RED TIDE SWEEPS IN

China officials recently announced that mainland retail investors will be allowed to invest in overseas markets. The pilot program will focus on Hong Kong. Hong Kong, unlike mainland China, allows for the free flow of money in and out of its financial markets. The scheme starts in the city of Tianjin and if successful, a process of gradual deregulation on a city-by-city basis will occur leading to full convertibility on the Rmb. China always deregulates on a city-by-city basis to ensure an orderly trickle, as opposed to flood of capital.

The Hong Kong stock-market will no-doubt benefit as mainland investors chase after familiar Red-Chips (overseas companies with mainland based businesses) and H-Shares (state owned companies listed in Hong Kong). Other beneficiaries would be the stock exchange which would see soaring turnover, which will only benefit the big China state banks - where all of the mainland retail volume has to be channelled.

The deregulation of overseas investments is another way by Chinese officials to let out excess liquidity in the local economy as the local stock markets of Shanghai and Shenzhen show signs of a classic bubble. Property prices have also shot up over 100% in a year in some cities as China investors have engaged a speculative acquisition frenzy of assets. Despite measures to stamp out the worst of the speculation - China's central bank raised interest rates for the fourth time recently - asset prices continue to go up and this worries planners particularly on the inflation and currency appreciation side.

*Contributed by Tony Chan, General Manager - Fiduciary Services, GCSL Hong Kong
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A MONTH FOR THE PROGENY

Leading stories out of Asia this month involve the wondrous feats of children, both in their own name and that of others.

Current legal action developing in Hong Kong will be watched with interest from all as it could have interesting disclosure implications.

The grand-daughter of late property tycoon, Law Ting-pong, is taking legal action against another family member for failure to provide information on trust properties. In the writ, Wendy Law Wing-ye sought an order that the trustee, Law Shuk-hoi, provide a full and accurate account of property and assets subject to a trust where she is a beneficiary. One could infer, of course, that she currently does not have much of a clue about the goings on in the trust and wishes to know more. There will be more to come on this for sure.

In academic news, the Chinese uber-competitive urge to go faster and younger continues. Most children struggle to learn the very basics in their education with the aspiration of attending university when they are able and, more importantly in Hong Kong, when the parents can afford it. However, latest reports have been glowing for the futures of a 9 year old boy and a 14 year old girl.

March Boedihardjo, at the grand old age of 9, was recently accepted into Baptist University to study mathematics. If it is bad enough to be struggling in your class at 17 years old, imagine having to sit next to a 9 year old who in all likelihood will be finding it all too easy. March is perhaps not known for his skills on Playstation and likes chess better in any instance. His elder brother, Horatio was enrolled at Oxford University at 13, after studying at a private tutorial college for 16-year-olds. Alas, the Boedihardjo family does not have sufficient money to educate March at Oxford University. March let that one slip himself by way of his 9 year old mouth delightfully giggling through a Press Conference.

Then there is 14 year old Ho Hoi-lam who is about to start at Chinese University of Hong Kong, studying medicine. The faculty's associate dean, Prof Joseph Sung Jao Yiu, described Hoi-Lam as a 'girl who does not act like ordinary 14-year-olds'. Nope, "ordinary" 14 year old girls pretty much have boys on their mind and are more likely to watch ER for the spunky doctors than wish to very soon be doing the job themselves. She will be a Doctor around the same time most students are in their first or second year of studies. Hoi-Lam's hero is Joseph Sung Jau-yiu, who led assisting SARS patients during the Hong Kong outbreak. Ironically Hoi-Lam on graduating will still be too young to celebrate in most countries with an alcoholic drink.

In the crazy sports section, an 8 year old Chinese girl Zhang Huimin ran from Hainan to Beijing in two months over a distance of 3,550 kilometers. She is just 4 foot tall and 46 pounds and too young to compete in the 2008 Olympics, but her father Zhang Jianmin wants her to compete in the 2016 games when she will be 17. Not surprisingly I guess, the parents have separated over conflicting ways of training their daughter.

This running story mirrors one in May of the 4 year old boy, Budhia Singh, about to be sold as his family were desperately poor. Singh was dubbed "Indian Forrest Gump" after running 65 kilometers in the searing heat and explained "I loved running today. I can run as much as I want." Then like most 4 year olds would, he sucked his thumb. With all the parental pressure and attention, let's hope that all these children have the same success of a Tiger Woods or Serena or Venus Williams and do not turn out to be like the overwhelming majority of kid superstars who crash and burn before their time.

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MACAU UPDATE

MACAU - VENETIAN MACAO OPENS

This month sees the grand opening of yet another mega hotel in the Macau - Las Vegas of the East. Las Vegas Sands (LVS) Chairman and CEO Sheldon Adelson unveiled the group's Venetian Macao, a giant casino, hotel, and convention complex that cost USD2.4 billion.

The sprawling complex located on the Cotai strip boasts 3,000 rooms, 51 gondolas for its Venice-style canals, a 15,000-seat indoor arena, and 1.2 million square feet of convention space. With 870 gaming tables and 3,400 slot machines, its 550,000-square-foot casino is the world's largest.

This is just the beginning as Las Vegas Sands group expects to spend as much as USD12 billion on 14 more hotels with casinos offering a total of 20,000 rooms by the end of 2009. No wonder analysts are saying this is Sheldon's biggest gamble, yet the gaming tycoon remains bullish, announcing "The opening is the beginning of what has been my dream, to reproduce the capital of entertainment [of Las Vegas] in Asia for Asians."

*Contributed by Tony Chan, General Manager - Fiduciary Services, GCSL Hong Kong
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CHINA UPDATE

CHINA ANTI-MONOPOLY LAW PASSED

China's first anti-monopoly law will come into effect on August 1, 2008. The new law impacts both foreign firms (review foreign acquisitions of domestic enterprises for fair competition) and state owned enterprises (a legal basis for eliminating administrative monopolies). As fairly typical with China legislation, the language is vague and critics have indicated it will likely provide for interpretations benefiting local companies.

CHINA SPECIAL TREASURY BOND AND INVESTMENT COMPANY

The issuance of USD20 billion (RMB 1.55 trillion) of national special treasury bonds were approved by the China National People's Congress at the end of June. It is believed the ultimate driving force behind the issuance is China's USD1.33 trillion foreign exchange reserves. Initially, approximately USD 800 million will be issued at 10 to 15 years at the rate of 4.3%. The Ministry of Finance is likely to issue the bonds through a commercial institution in exchange for USD 20 billion as capital and operating funds for the newly established "China Foreign Exchange Investment Company".

CHINA SPENDS US\$1.16 BILLION ON FOOD AND DRUG SAFETY

The State Food and Drug Administration announced on August 8, 2007 that it would spend RMB8.8 billion (approximately USD1.6 billion) to improve the national food and safety supervision system. In addition, both the central and provincial watchdogs will be given more supervision powers.

HSBC THE FIRST BANK TO ENTER CHINA'S RURAL AREA

After approval of HSBC's local bank application, HSBC will be the first overseas bank to enter China's vast rural area. HSBC Rural Bank, a wholly owned subsidiary, will be located in Chengdu County, Suizhou City, Hubei Province with a registered capital of RMB10million (approximately USD1.2 billion). The bank is expected to open by the end of this year offering tailor-made financial services to local farmers, enterprises and communities as well.

NEW FOREIGN EXCHANGE RULES

China further eased restrictions on domestic institutions retention of foreign exchange by allowing them to keep current account foreign exchange based on actual business needs on the day as opposed to the previous rule of no more than 80% of their revenue in the prior year plus 50% of their expenditure.

CHINA MOBILE CANNOT HELP LAUGHING

China Mobile's profit recorded a sharp surge in the first half of this year. The company's 2007 interim report shows that revenue increased 21.6% to RMB166.580 billion in the first 6 months and pre-tax profit increased 14.6% to RMB89.814 billion.

CHINA RAISES INTEREST RATE 4TH TIME IN 2007

The People's Bank of China increased the benchmark deposit rate from 3.33% to 3.60% while the one-year lending rate was lifted from 6.84% to 7.02%.

WAHAHA VS DANONE - PART II

Wahaha did not predict Danone could obtain control when signing the joint venture agreement and Danone did not continue to push Wahaha to transfer various trademarks until the recent conflict. Based on the Chinese Company Act, registered capital must be paid up and capital must be injected. Capital injection can be in two formats: cash and non-cash and intellectual property can be classified non-cash with the ratio being 30% to 70%, respectively. In Wahaha and Danone's joint venture, Wahaha used its trade mark as non-cash capital injection. The question is does transferring a Chinese trademark to a foreign equity joint venture require approval, and if it does, at which stage and when? Since the Wahaha joint venture is registered would the approval process be considered completed? If not, would it be possible to apply to the court to force the trade mark to be transferred? Given the reply

from National Trade Mark Bureau in 1996 that it did "Not Agree to Transfer", would it be considered as "Rejection of Transfer"? Transfer of the trademark should not impact the legitimacy of the signed contract between Wahaha and Danone. Therefore, Danone should be able to enforce the contract and seek compensation. However, if proceeds, based on the Company Act, the registered capital was not paid up properly, which means the joint venture violates the Company Act, and the court might order to dissolve the joint venture.

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CHINA INTELLECTUAL PROPERTY PROTECTION: TOWARDS BETTER ENFORCEMENT?

Chinese counterfeit products account for more than 80% of all counterfeit products seized by the European customs according to the most recent statistics published by the European Union. For every type of product (cigarettes, CD/DVDs, toys, clothing and accessories, drugs and foodstuff etc...), China appears by far as the leading source of fake products. It is also the worst country for counterfeiting in the world according to the US priority watch list: the estimated American business software losses in China in 2005 were of USD1.27 billion and recently the USA have brought an action to the WTO to complain about the lack of enforcement of the Chinese authorities.

However, one may be optimistic and see encouraging signs of evolution towards a better enforcement of Intellectual Property Rights (IPR) in China:

- China has estimated to almost USD4 billion its own tax losses due to counterfeiting
- China also begins to realize that fake products can be not only harmful to Chinese consumers but also to trade relationship with foreign countries (see the current "Made in China" campaign in the USA and the death sentence against a former Chinese Head of Food and Drug Administration).
- Above 90% of IP litigation cases introduced in China involve Chinese companies against Chinese companies. There is therefore a growing demand from inside to see the enforcement being improved.
- Recent case law shows that Chinese judges impose heavy fines and imprisonment to counterfeiters. For example, ten defendants distributing pirated DVD were sentenced to an imprisonment of 5 to 11 years with a penalty from 60.000 to 120.000 RMB (April 26, 2007, Nanjing).
- Since 2000, the legislator extended the field of application of the IP laws with optimizing the protection of IPR. China's Supreme People's Court (SPC) and Supreme People's Procuratorate (SPP) jointly issued a new judicial interpretation on April 5, 2007, aimed at better fighting against intellectual property rights piracy. Anyone convicted of reproducing more than 500 copies will be subject to up to three years' imprisonment.

We recommend the following actions to better protect your IP rights in China:

1. Register your IP rights (trademarks, patents, copyright, design) with relevant IP offices and customs both in English and in Chinese before setting up any activity;
2. Do not forget Hong Kong which is a separate entity for IP matters;
3. Monitor constantly IP infringements on the market and potential infringers by setting up an IP team and raising IP awareness among your distributors/clients;
4. Collect as much evidence possible of IP infringement or hire an IP investigation firm to do so and report to you;
5. Make sure to secure your know how and trade secrets by confidentiality contracts and IP provisions in employment agreements;
6. Carefully choose the appropriate way of action (administrative or judicial)
7. Cooperate with other firms and associations (IACC, QBPC, Chambers of Commerce...) and Chinese administration in charge of enforcement;
8. Communicate on your IP enforcement actions (deterrent effect);
9. Monitor progress and complete step-by-step your IP enforcement strategy;
10. Keep enforcing your rights and develop new technologies to always be ahead the infringers.

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SINGAPORE UPDATE

PORTRAIT OF AN ARTIST AS A YOUNG MAN

My eldest son's birthday was in August, on the 13th to be exact. So daddy, in his eagerness to please his son on so important a day agreed to play soccer in the evening with his mates.

On that fateful evening, and in a moment of heroic acrobatics to score a Wembley Final style goal, I bashed my face against the hard concrete of that street soccer court and faced the reality that I was no longer 18.

The harsher reality followed when my injured face ballooned to twice its size and during the course of the next 2 weeks, witnessed changes to it to various sizes and colors (I never knew there were that many!).

But I am not alone...

Once or twice a week, countless mild-mannered executives all over Singapore strip off their GA suits and Feragamo shoes and transform into hulking pieces of testosterone fuelled by competition and camaraderie - and sometimes, lots of beer.

For the past 15 years, young professionals have been carving out a space for those who prefer their weekend exercise to be more intense than a round of golf, working hard to establish amateur leagues and teams for soccer aficionados who want to descend from the couch.

For example, Lee Taylor and Matthew Boylen, co-founders and directors ESPZen, an amateur football league, say that they started it for "selfish reasons". "Lee and I were playing for our respective company football clubs in a local Singapore league," says Mr Boylen, who is also the chief executive of IT Solution company Matador System Pte Ltd. "But it wasn't well organized. Sometimes, the referee wouldn't show up, or we would play the same team for four weeks."

Their love and respect for the game made them want to play in a "professionally organized way", which subsequently led to the birth of ESPZen.

For Ashish Manchharam, founder of the Usual Suspects, a two-year-old team comprised of mostly young professionals - about 90 percent, he says - that plays in the ESPZen league, organizing a team was a way to stay close to childhood friends and keep fit.

"For me, it's more social than competitive. Most of the team members are people I have grown up with," said Mr Manchharam, an associate director of leading property consultancy Jones Lang LaSalle. "Also, when I have clients and friends in town, I ask them to come play."

From its humble beginnings of about 10 teams in 2004, ESPZen currently boasts 78 teams. And with a fee of S\$2,100 per team per season, what began as two yuppies wanting to play football on a well-manicured pitch has become quite a lucrative side business.

It's also heartening to know its not all work and no play for life in Singapore for the working class. Sports facilities and organized activities abound to cater to less sedentary inclined and for heroes who will not die.

Soccer anyone?

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OFFSHORE UPDATE

ANGUILLA INSURANCE REGIME: FLEXIBLE, INNOVATIVE AND SOUND

In 2004, Anguilla enacted the Insurance Act which covers the licensing and regulation of domestic, offshore or foreign insurance, and in particular captive insurance and insurance intermediaries i.e. agents, sub-agents, brokers and insurance managers. The Act allows for several insurance licences as detailed below.

- Class A licence, permitting a local or external insurer to carry on all forms of insurance business, including domestic business. An external insurer is defined as an insurer licensed in another jurisdiction, wishing to underwrite domestic insurance in Anguilla.
- Class B Unrestricted licence, permitting a foreign insurer to carry on any foreign insurance, including long term insurance.
- Class B General licence, permitting a foreign insurer to undertake general foreign insurance only.
- Class B Association licence, permitting a foreign insurer to undertake general and long term insurance with two or more owners of the insurer and its affiliates, and to carry on up to 30% of its foreign insurance business (based on net premiums) or 100% of reinsurance business with persons who are not owners of the owner.
- Class B Group licence, permitting a foreign insurer to carry on general and long term insurance with a single owner of the insurer and its affiliates.
- Class B Single licence, permitting a foreign insurer to carry on general and long term business with the sole owner of the insurer.

The Act determines, in addition, a number of minimum levels of capital for each of the above licences. The Act also allows, with the approval of the Financial Services Commission ("the Commission"), the shares of a licensed insurer to be owned by trustees of a trust. However, any share of a licensed insurer may not be held, issued or transferred without the approval of the Commission with certain exceptions for insurers publicly traded on a stock exchange approved by the Commission. A licensee, which is a company, must have a minimum of two directors and the appointment of all directors and senior officers must have the prior approval of the Commission.

The Act determines a number of requirements for licensed insurers, the most important being:

- The requirement for insurers undertaking domestic business to maintain certain realizable investments.
- The requirement for all insurers to issue an annual certificate of compliance to the effect that it is undertaking business in conformity with its approved business plan and licence.
- The requirement for certain insurers undertaking long term business to submit an actuarial valuation on its assets and liabilities.
- The requirement for certain insurers to keep separate accounts covering general and long term insurance.
- The requirement for all class B licensed insurers to appoint an insurance manager, who has, or has available to it, the necessary insurance manager expertise.
- The requirement for all insurers to keep proper books and records in Anguilla and to have a principal representative within Anguilla.
- The requirement for all insurers to maintain a solvency margin determined by the Commission.

Under the Act, there is no statutory requirement for insurers to have a local director, auditor, lawyer or bank account.

The Commission has powers of examination of all licensees, of enforcement, including suspension and withdrawal of a licence and the ability to exchange information with other regulatory bodies subject to certain checks and conditions.

Also included in the Act is a section on protected premium accounts, which deals with the protection of premiums paid by an insured to an insurance company from being challenged by creditors unless the payment of such premiums was made with the intent to defraud the creditor. The section also protects the insurer from action against insurance premiums paid to it, providing it maintains such premium accounts separate from every other account.

A further section applies to annuities and contracts of insurance on human life and gives certain protection on payments and proceeds of policies made by the insurance company to an insured or beneficiary of a policy.

A number of regulations covering application forms, fees and statutory returns have already been issued and Code of Conduct Notes are in the process of being prepared on the following issues:

- Licensing
- Management controls and corporate governance
- Asset and liability strategy and controls
- Market conduct
- Role of the insurance manager
- Records
- Reinsurance

GCSL Anguilla stands ready to assist persons interested in applying for any of the licences under the Act.

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BELIZE: INTERVIEW WITH THE REGISTRAR

This month saw Mother Nature show that it takes all kinds to make her litter. Her brutish son Dean visited our fair country and showed us that a little breeze can do a lot of damage. Although Belize City was spared, Corozal to the north was pounded. Even worse, villages like Sarteneja and Ranchito were totally demolished. Then to top it off, in the last week of August, the rain that Dean forgot to bring was carried by a supposedly light tropical depression. As a result, Belize City, the economic hub of this country, suffered two days of heavy rain, flooded streets and homes, and the inconvenience caused by it all. At the end of the day, though, things returned to normal.

Despite them having some problems with their ceiling, and the ladies having to run home early to ensure their kids were alright, the IBC Registry was back to full operational status by August 30th. So much so, that the recently appointed Registrar, Katherine Haylock, had time to spend with me, answering my questions. That interview went as follows:

How long have you been involved in the Offshore industry?

I have been involved in this industry for the last thirteen years, from when I joined as a receptionist at the then Corporate Services Department of the Belize Bank. I can recall the days of typing up invoices on the typewriter. To see where things have come to now is quite a marvel.

You recently became the IBC Registrar. What main challenges have you had?

I started officially on May 17, 2007, taking over from Esther Hegar. Now, the main challenge has been trying to get some of the Registered Agents to adhere to the Regulations set down in the law or the policies laid out by the Registry. Some of the agents in past times had not adhered to these regulations and policies, and were quite aggressive sometimes in arguing their case, even though they might be wrong. Generally though, there has been compliance from all the agents. I am glad to report that we have never had any complaints, either from myself or the staff here, about GCSL Belize. You guys always confirm things by calling and communicating with us before sending your documents in to us.

What major changes, if any, have been instituted since you became Registrar?

The only real change, apart from stringently adhering to the regulations and policies, has been to establish a cut-off time for the submission of documents to be given back the same day. That way we can maintain our claim for a 24 hour turnaround time, as we don't want people coming in at 4:45pm to submit documents and expect to get them back by 5:00pm. It is still early at this stage. For me it is an ongoing study of the operations, thus far no major problems, and those which arise are resolved usually immediately.

How many IBCs have been registered now?

As at the time of the giving of this interview, to date, there have been 64,443 IBCs incorporated under the laws of Belize. For this year alone, already we have incorporated 7,213 new companies. We have been very happy with the incorporation rate thus far, as the average is approximately 900 per month. In fact, in June we had over 1,000 incorporations and in July, we had over 900. Even despite the few days taken off this month due to the hurricane and the torrential rains, we are already on target to meet and surpass our average. We have not had many Limited Duration Companies, and those are not doing as well as the legislators had hoped. There has not been a great push for this type of company, and so it is not surprising that they had not done so well.

Any plans to market the IBC Registry directly in the near future?

Definitely this is a project of the Registry, in that we will be embarking, in October, to go to Eastern Europe, and we are also planning a visit also to Switzerland, Luxemburg and London.

What plans are in place for the development of the Registry?

We must acknowledge that the Registry is growing. Logistics may soon present a real issue. There is the need to address the issue of space. We will soon be launching the online name reservation service, in testing phase now. But remember, this is for agents only. What is interesting about this service is the fact that whereas previously the fee was an automatic US\$25.00, if the reserved name is incorporated within 10 days of the reservation, then the reservation will be free of cost. We are also in the process of electronically filing every single corporate document in our possession. This is already a work in progress, and although it will take a little while before it is done, we will be more efficient as a result.

I would like to thank Katherine for taking time out of her busy schedule to meet with me, and I wish her and her staff the very best as they continue to hold the high standard her office has been known to have. We here at GCSL Belize have only high praises for the folks at the Registry, for their dedication, and hard work. Much praise to them, and may all be well with them. If you want to experience their efficiency first-hand then please feel free to contact us, and let us incorporate a company for you.

*Contributed by Carlo Mason, Managing Director, GCSL Belize
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COOK ISLANDS: COOK ISLANDS CELEBRATES 42 YEARS OF SELF GOVERNMENT

August is a month of celebrations in the Cook Islands and is typically marked by the concentration of people on the main Island of Rarotonga. The population can sometimes double during this period as visitors and Cook Islanders alike flock to the main Island. This is a time when the outer Islands in this group of 15, come together for a week of celebration to mark self government, with plenty of festivities, rekindling of friendships, maintenance of family ties and....intense cultural competition. Indeed it is the cultural competitions which attract a large number of visitors to Rarotonga.

For many months prior to the August celebrations, each Island prepares itself through countless hours of practice to perfect their traditional song and dance. There are various forms of Cook Islands song and dance, but most notable is the drum dance.

If you have not witnessed the pulsating drum dance of the Cook Islands, then you have not experienced life itself, or so the saying goes. Many a sailor, trader and even missionary of past centuries have been mesmerized by this form of dance, which finds its origins in the worship (more likely sexual arousal) of the God of Fertility, represented by Tangaroa - with its very notable male organ. It is easy to see the connection with fertility to this day, as the drum dance still stirs wild inhibitive emotions by those who witness it. It is fast and furious, where the young men show their physical prowess through dance and the women shake their hips in a wild and rousing fashion - all done while smiling. It is all about making a dance that is very physically challenging, look effortless and graceful.

It is the equivalent of ten aerobic sessions jumbled into one, for those who workout.

But there is more than just the drum dance, there is also the action song, where the tempo is slowed down, and the women gently sway their hips, with elegant movements of the hand - all to tell a story. The beauty of Cook Islands women is the focus of this dance of romance and love. Essentially, the two forms of dance are opposite poles of the same theme.

After the drum dance and the action song, you start to wonder what kind of society existed in these Islands prior to the arrival of Christianity!! But alas, there is more to our dance than just drums and swinging hips. There is the more sedate form of singing called the Ute, which is a modernized and sanitized version of what was essentially a form of singing that the missionaries were horrified to hear and often used evocative sexual references as a form of entertainment. Today this form of singing is more often used to praise Christianity and its virtues.

Then there is the Pe'e, traditionally the relaying of a legend through song and drama. More recently it has adopted forms similar to the New Zealand Haka, as modern influences make this form of song and dance more contemporary. This is the equivalent of an opera in Cook Islands society. This form is evolving and is sure to become more and popular with time. While these two latter categories are more restrictive in their form, both items nonetheless still require an extreme energy output.

Over five nights each team is required to perform the four categories of song and dance. The numbers of each team are restricted to

60 on stage at any one time and each performance cannot be more than 7 minutes. There is a heavy emphasis on uniformity - hence why many hours of practice are required. Points are also awarded for the best costumes, which normally take many weeks to prepare.

Take 15 fiercely proud Islands, a vibrant song and dance culture, and you have one awesome mix that is sure to impress even the most ardent automaton amongst us. There are no photos available at this time, but the whole competition is available on DVD, so if you wish to see it all, you can make an order of your DVD from our Cook Island office.

Contributed by Puai Wichman, Managing Director, GCSL Cook Islands
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SAMOA: "LIVE THE DREAM"!

Samoa is buzzing with athletes from 23 countries participating in the XIII South Pacific Games 2007. The Games are held in and around Apia, the capital, with a sporting complex boasted to be the best in the Southern Hemisphere, and certainly world class. The Samoan Government has put a huge investment into the development of sports in the country resulting in outstanding facilities, which were built with the generous assistance of the Government of the People's Republic of China.

It was a spectacular opening night on August 25th where the GCSL Samoa Girls were scattered around the stadium in Apia Park cheering on the visiting teams and particularly our local sporting heroes. There were, however, strict orders from our Managing Director, a Cook Islander, that the GCSL Samoa Girls were to stay away from the Cook Islands' boys, lest the Cook Islanders lose focus on the job at hand. Nevertheless, our very own Kuini Moberg gave up her evening socializing to volunteer for the swimming and is proudly showing off her "Volunteer ID" much to the amusement of Fono and Laura at the office. She's been on the side of the pool as a time keeper and no doubt giving all the athletes her famous "Queen Le Diva" wave!



Patrick Fepuleai, brother to our very own Laura, and one of our Notary Public/Lawyers in Samoa was one of the proud torch bearers during the Opening ceremony having been a medalist in the last two South Pacific Games for the game of Golf.

If you would like more information on the Games, you can visit www.samoa2007.ws

The Games will be held for two weeks and no doubt Samoa will showcase its sporting prowess to the rest of the Pacific. We are, however, wary of Puai passing on insider information to the athletes from the Cook Islands, which is why Kuini has been assigned to keep a keen eye on them.

Contributed by Laura Fepuleai, Manager, GCSL Samoa
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TIDBITS

The things that make us smile, frown and generally make life interesting...

OUR MONTHLY QUOTE THAT MADE US SMILE

You can lose a lot of money chasing women, but you never can lose a lot of women chasing money. - Chris Rock's boss in the movie, *I think I love My Wife*.

WHO CARES, REALLY!?

We read with a ho-hum about a study conducted by some obviously bored and boring paleontologists (whatever they are) who concluded that some dinosaurs could run at the rapid clip of 40 mph and a T-Rex could chase down even the fleet of foot David Beckham. We add the equally riveting revelation that grass is green (except in the Blue Grass state of Kentucky) and the sky is blue (except in Beijing). Who cares, really!?

AUSSIE, AUSSIE, AUSSIE

We found ourselves cheering for the Aussie Labor Party Leader who admitted to spending a drunken evening at the famous Scores in Manhattan. We have visited this "gentlemen's club", which not surprisingly is completely wanting of any "gentlemen", but replete with suitably endowed young ladies offering a wide variety of aerobic antics both public and private. We were more impressed with the Aussie public's reaction as even a leading "Down Under" feminist was willing to forgive this one-off "dumb act while on the piss". We say elect the fella to lead the country, heck the world...and make sure the electorate is full of Aussies because the Yanks would have tarred and feathered such a politician!!!

TUFF!!!

We read with a sense of sadness about the Chinese term "fang nu" or "house slaves" to describe those unfortunate high-income earners saddled with burdensome home loans. Unlike their parents, who owned nothing and struggled to eat, these lads and lasses

are suffering the usual lifestyle of the "ME" generation. In the words of my contracts professor in law school, "well, son, that is TUFF!"

NATIONAL ASSOCIATION TO ADVANCE FAT ACCEPTANCE...YES, WE ARE SERIOUS

Yes, we are serious. Based in the loony of all loony states...yes, California...is the National Association to Advance Fat Acceptance ("NAAFA"). The purpose of the NAAFA is:

- Work towards providing equal opportunity for fat people wherever obstacles and/or discrimination exist.
- Disseminate information about the sociological, psychological, legal, medical, and physiological aspects of being fat.
- Advocate and sponsor responsible research about the various aspects of being fat.
- Empower the large number of people regarded by the medical profession as "obese" to accept themselves, to live more fulfilling lives, and to promote acceptance of fat people within society.
- Serve as a forum where issues affecting fat people can be discussed in an unbiased setting.

Nary a mention of perhaps helping people NOT to be fat...well, we guess there are plenty of those organizations!!!

C\$15 (USD14) FOR 8 OZ OF COFFEE

Yes, we now have USD14 cup of coffee that is "intensely fragrant and aromatic" and "explosively floral on the palate". Water, coffee, wine...we remain glued to our TVs, radios and other forms of mass media to be the first to hear about the USD20 cup of soda. Why not?

ETHICS OR STUPIDITY?

So a thief waves a knife at his victim, asks for USD4, is offered USD10, rejects the same because he only wants USD4, allows the victim to get change and then is caught a short while later. Ethics or stupidity? Please remember the victim returned with the change. Once again, ethics or stupidity?

THANKS, OR BOW-WOW, GRANDMA

No doubt many a loony-tune in New York is lining up to care for Leona Helmsley's white Maltese pooch, which survived the recently deceased billionaire and became the beneficiary of a USD12 million trust fund. Best part of the story is mighty mut also will be buried alongside his benefactor. Nah, that's not the best part. The best part is Leona, who was always a bit different, decided two of her grandchildren were entitled to nothing from the estate...let's hear it for priorities!!!

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