SUCCESSION PLANNING

Four ways to protect your company

British Virgin Islands

Who controls your BVI company the day after you are gone? Four mechanisms for share ownership — plus one for continuity of management.

Joint Tenancy

Shares registered in the names of two or more Tenants. On the death of one, the shares pass automatically to the survivors — no probate needed while a survivor remains.

Best for

A transitional or complementary solution, typically between spouses.

Limitation

The surviving Tenant may dispose of the shares freely — the deceased's heirs may not receive the inheritance. Incapacity requires a BVI receivership.

WHAT TO KNOW

- Survivorship operates at **each** death, among the remaining Tenants — not only at the first.
- A Grant is still required on the death of the **last survivor** — so Wills are ideally needed for all Tenants.
- Dividends must be paid in **equal shares** among the Tenants — no unequal distributions.
- Less suitable where the intended recipients are children, or where there are children from different relationships.

02

BVI Will

> A Will specific to the BVI assets. It names the executor, organises the process and may run in parallel with probate in the country of domicile.

Best for

A starting point, combined with a more robust structure.

Limitation

Does not eliminate the grant of probate and does not address incapacity.

WHAT TO KNOW

- Three routes to a grant: Probate, Letters of Administration, or resealing a foreign grant.
- BVI Court: **12 to 16 weeks** from filing — for complete, uncontested applications.
- A single Will covering several jurisdictions can make the BVI application wait for the Brazilian probate.
- Must be coordinated with other Wills — a general revocation clause can invalidate it.

03

Share Classes

> The founder holds Parent Shares with full control; the successors hold Child Shares with suppressed rights. On the trigger event the Parent Shares are cancelled and the Child Share rights activate.

Best for

Full control in lifetime with an immediate transition, inside the company.

Limitation

A recent mechanism with no judicial precedent; heirs must coordinate at activation.

WHAT TO KNOW

- Consent is given in advance, in the subscription and surrender deed.
- Trigger: the moment the holder can no longer vote the Parent Shares — define incapacity expressly.
- Not yet tested before the BVI Court — residual legal risk remains.
- Does not scale across generations without growing documentation and complexity.

Trusts — five configurations

7.1	**BVI Share Trust** Simplest VISTA trust; shares pass directly to beneficiaries	Terminates on death
7.2	**Dormant Share Trust** VISTA + share classes; trustee holds dormant Child Shares	Activates on the trigger event
7.3	**VISTA Convertible Trust** Settlor control over investments, converting on succession	Becomes fully managed
7.4	**Reserved Investment Power Trust** Holds assets beyond BVI shares; reserved powers	Protector admitted
7.5	**Joint Tenancy Share Trust** Family members as trustees, holding in joint tenancy	Receivership risk on incapacity

Which one fits?

Lowest cost

Organise succession at minimal cost: the Will identifies the heirs and the Reserve Director keeps management running. Probate is not avoided, but it is the most accessible starting point.

BVI Will + Reserve Director

Avoid probate, keep control

The settlor stays director with full control and the shares pass directly to the beneficiaries named in the trust deed — no probate. Family trustees are possible if you prefer to keep it in-house.

BVI Share Trust 7.1 · or 7.5

Minor or vulnerable heirs

Full control during lifetime; on the succession event a professional fiduciary structure activates to manage the assets for heirs who need continuing support.

VISTA Convertible Trust 7.3

Diversified wealth

For assets beyond BVI company shares — portfolios, real estate, cash. The settlor keeps reserved investment powers and may appoint a protector for oversight.

Reserved Investment Power Trust 7.4

06

The second problem

Death raises two distinct problems. The four mechanisms above address **ownership of the shares**. If the deceased was also the sole director, the company is left with no one able to appoint a replacement — and the shares are frozen.

! The **Reserve Director** (s. 113(7) BVI BCA) solves only this second problem — it is combined with one of the mechanisms, not chosen instead of them.

! It applies only where there is a single individual shareholder who is also the sole director.

! It covers death only — incapacity must be addressed by a separate instrument.

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Who controls your company tomorrow?

Ascentium structures and maintains BVI companies and their succession planning, with BVI legal work through our strategic partner Harneys.

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