



International Banking in Belize

UTILIZATION OF INTERNATIONAL BANKING FOR PRIVACY, SECURITY, & A WORLD OF INVESTMENT POSSIBILITIES: "A BELIZE PERSPECTIVE"

Belize is a leading Caribbean offshore jurisdiction, and many visitors are intrigued about offshore banking. The growth in international travel, coupled with the increasing use of the Internet to make a living or help manage businesses from afar, have led to growing use of offshore banking and offshore trusts. Others have made the same decisions to relocate or diversify their financial affairs and open offshore accounts.

Offshore Banks in Belize

In addition to commercial banks in Belize serving local customers, Belize has developed a small but growing community of offshore (or international banks as they like to be called.) banks. These offshore banks were authorized by the Banks and Financial Institutions Act, 1995, and the introduction of the Offshore Banking Act, 1996, and the Money Laundering (Prevention) Act, 1996. By law they cannot serve customers who are citizens of or legal residents of Belize. The 1995 legislation defines an offshore banking as "receiving, borrowing or taking up 1 foreign money exclusively from non-residents at interest or otherwise on current account, savings account, term deposit or other similar account and which according and subject to arrangement is repayable on the check, draft, order, authority or similar instrument of the customer, and investing the foreign money so received by lending, giving credit or otherwise exclusively to non-residents; or carrying on exclusively with non-

residents such other activities as are customarily related or ancillary to offshore banking."

There are two categories of Belize offshore banks: "A" Class - Unrestricted and "B" Class - Restricted.

1. "A" Class - Unrestricted
The holder of an "A" Class offshore banking license needs to establish, maintain, and operate a business office in Belize. It is permitted to transact offshore banking business through its business office in Belize without restrictions on that business. Annual license fee: US\$20,000. Authorized and paid up capital of at least US\$3 million must be maintained if the license is for a local company, or US\$25 million in the case of a foreign bank.

2. "B" Class - Restricted

The holder of a "B" Class offshore banking license also needs to establish, maintain, and operate a business office in Belize, but it is limited to transacting only such offshore banking business as is specified in its license. "B" Class offshore banks cannot solicit or accept deposits from the general public, and cannot provide any current deposits or checking accounts to depositors. Annual license fee: US\$15,000. Authorized and paid up capital of not less than US \$1,000,000 must be maintained if the license is for a local company, or US \$15,000,000 in the case of a foreign bank.

Several offshore Class A banks are in operation in Belize. These banks are regu-

lated by the Belize Central Bank, have physical offices in Belize and offer various services including demand, savings and time deposit accounts. Accounts maintained with these banks are not subject to local taxes or exchange control restrictions. International banks tout their privacy for their customers, although if the Belize courts find that funds in the banks are proceeds of crime the banks are required to release the identity of the account owner. Funds are transferred into and out of Belize in foreign currencies with no conversion to Belize dollars taking place. However, these banks are prohibited from doing business with Belize citizens or official residents.

Who uses Offshore Centers?

Offshore Centers themselves serve a variety of different purposes for various types of individuals & corporations.

Not all of those purposes are legitimate & there is no question that there has been and continues to be inappropriate use of offshore centers by drug traffickers, terrorist organizations and racketeers; however with the introduction of anti-money laundering laws in most "Advanced" offshore centers, the world's governments and over-arching economic organizations such as the OECD have had some success in preventing abuses, but laundering remains a problem in some offshore centers.

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*What's your wish
for your
MONEY???*

Is it:

- 1. Privacy,*
- 2. Protection,*
- 3. Safety,*
- 4. Profitability,*
- 5. Security,*
- 6. Easy access to your funds?*

*If it is, you've
found the right
place, Belize &
Caye International
Bank, Ltd.*

Belize is a diverse, peaceful, English-speaking democracy. Situated on the north-eastern tip of Central America, bordered to the north by Mexico, south and west by Guatemala and with more than 300 miles of Caribbean coastline, this former British colony is a trade crossroads between the Caribbean and Latin America.





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Spearing a grouper at an Island offshore Belize.

"They offer Privacy & Confidentiality – due to self-regulation, disclosure of beneficial parties are very much restricted."



Caye in Southern Belize

Among the main legal uses of offshore centers are:

- Tax-efficient structuring of international trade;
- Holding and investment companies;
- Offshore investment funds;
- Protection of personal wealth using trusts;
- International financial services;
- Captive insurance companies; and Shipping registries.

What makes for an attractive Offshore Center?

1. **They offer a low tax regime** – normally no local tax or minimal taxes; are generally free from taxes on profits from selling assets such as wealth tax. Belize for example is a no tax régime. **"This is only one of the main reasons we are so attractive."**
2. **They offer Privacy & Confidentiality** – due to self-regulation, disclosure of beneficial parties are very much restricted.
3. **Lack of exchange controls** – means that people are secure that their money can be taken out or that more can be put in at any time.
4. **Lack of Government intervention** – leads to greater confidentiality and less restriction due to suitable regulations.
5. **Political & Financial stability** – leads to greater security that money is safe and that devaluation is unlikely. The Belize dollar is presently tied to the US dollar at a fixed rate of 2:1.
6. **Areas of high expertise in the financial world** – due to the great advantages of Offshore Centers, there is normally an

attraction for high-level financial experts; however" **Belize is recognized as a leader in getting its practitioners qualified and is rated as FIRST IN CENTRAL AMERICA**" as stated in a press release dated September 19, 2003 by Campbell's College in the U.K.

7. **Provide Asset Protection** – assets held under certain structures such as IBC's and Trusts are protected from Lawsuits, Judgments & Divorce Settlements.
8. **Maximize Foreign Investment** – Offshore income under certain structures accumulates tax-free, leaving more to invest. In addition, offshore investments also accrue at a significantly faster rate than onshore investments due to the elimination of capital gains tax.

Although offshore centers have established Legal & Regulatory conditions to provide the previously mentioned features, **what further factors should be considered when selecting an Offshore Center?**

1. **Reputation** – There are many offshore financial centers and the number has steadily increased in recent years. The fact that the center is well respected and has not been classified as a tax haven or linked to illegal activity should provide prospective clients with some reassurance about that jurisdiction.
2. **Geography & Physical Infrastructure** – an offshore financial center must provide **Good Communications**. **[Belize the only English speaking country in**

Central America, Direct & Non-direct flights from major international airports which are close to major on-shore centers which may provide access to clients & advisors alike; an attractive climate & environment with good accommodation for clients and advisors and for resident expatriates; the same time zone as major centers e.g. some Central American jurisdictions including Belize are in similar time zone as major US business centers; and provide Good telecommunications.]

3. **Human Infrastructure** – Readily available expertise in Banking, Law, Accountancy, Insurance, translation/interpreting of other languages, trust administration, company administration & clerical tasks - It is also useful if the local official/business language is easily understood by clients – A strong local economy is also required with good living standards, a skilled workforce, availability of back-up services, easy work permit regulations, and the absence of civil strife.
4. **Legal System** – The local legal system is common law similar to that in England, but is modern and non-bureaucratic. Legislations such as the International Business Companies Act of 1990, the Offshore Banking (Amendment) Act of 2002, the Money Laundering Prevention (Amendment) Act of 2002, and the Trust Act of 1992 to name a few have officially established Belize as one of the lead-

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CAYE INTERNATIONAL BANK, LIMITED

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ing offshore jurisdictions worldwide through incorporating the most secure features of offshore instruments similar to Hong Kong, Panama & Cayman.

5. **Minimal Reporting** – There is no public disclosure of beneficial ownership of companies and no central registry of trusts; banking secrecy laws must be upheld to provide clients & business confidentiality.



Here's information one of

the larger offshore banks in Belize:

CAYE INTERNATIONAL BANK, LIMITED.

“CAYE INTERNATIONAL BANK LIMITED (CIBL)” was granted an Unrestricted “A” Class International Banking License on September 29th, 2003 by the Central Bank of Belize. The regulatory authority is the Central Bank of Belize who set the standards for liquidity and capital adequacy.

CIBL is the only International Bank on the beautiful island of Ambergris Caye and our license permits us to carry on business with both individuals and corporations who are non-residents of Belize. We offer a full range of traditional and non-traditional banking services and accounts in United States Dol-

lars (USD), Canadian Dollars (CAD), Great Britain Pounds (GBP), Swiss Francs (SFR), and Euro Currencies.

Why bank with Caye International Bank, Ltd. (CIBL)?

1. **Privacy** – At CIBL, your banking information belongs to you.
2. **Protection** – The legal system in Belize is pro defendant, pro beneficiary.
3. **Safe** – Reserve requirements in Belize are three times the reserve requirements in the United States.
4. **Profitable** – CIBL offers competitive interest rates to our depositors that are 50 to 100 % higher than in the United States.

5. **Security** – Caribbean and Central America demographics supports a strong demand for our services.
6. **Access** – CIBL opens a world of investments closed to U. S. and small investors.
7. **Professional** – CIBL's Executive Management Team has over 50 years of U.S., Belize and International Banking experience.
8. **Technology** – CIBL's Banking System enable technologies that surpass other financial institutions in both Belize and the U.S.

9. **Warm – Both the climate and the people. Come visit your money “In Paradise”.**

Caye International Bank offers competitive products to our depositors that are 50 to 100 % higher than in the United States and in the absence of an FDIC program, our liquidity requirement is 400% higher as well. (E.g. on a deposit of \$500K, we need to maintain 25% or \$125K in a liquid form and in effect can only on-lend/utilize \$375K).

Traditional investment products available include:

- CD's from 6 months to 5 years with interest rates of 3 to 5%.
- Savings Accounts with interest rates of 1.50 to 2.75%, and

Checking Accounts with interest rates of .75 to 1.50%.

And through strategic alliances with other offshore providers such as Georgetown Trust are able to offer:

- International Trusts & Trustee Services

- Corporate formations and IBC's
- Captive Insurance Companies & Annuity Products, and
- Ship Registrations to name a few.

Based on the aforementioned, Belize can rightly take pride in the steps taken to ensure that the expansion of its offshore services sector is well regulated and that Caye International Bank will be able to ride the tide and enjoy growth and prosperity in the future.

“CIBL is the only International Bank on the beautiful island of Ambergris Caye and our license permits us to carry on business with both individuals and corporations who are non-residents of Belize.”



Pelican on a Sand Bar off San Pedro, Ambergris Caye

Come Bank in
Paradise with us!

We're on the Web!
www.cayebank.bz

How to Bank with CIBL?

Contact Us:
Caye International Bank, Ltd.
Coconut Drive
PO Box 11
San Pedro Town
Ambergris Caye
Belize, C.A.
TEL.:+ (501) 226-2388/3083
FAX:+ (501) 226-2892
E-MAIL: cibl@btl.net

Requirements:

- Two references on all signatories & beneficial owners (one Bank and one personal (i.e. from an Attorney, Accountant etc.)
- Full Name (s) and Address (s) of Bankers
- Certified copy of Passport on all signatories & beneficial owners
- Full name, residential address, e-mail address, telephone and fax numbers
- Indemnity for Facsimile and E-mail Instructions Form (*)

- Signature Card (*)
- Nature of Business Form (*)
- Companies List of Officers and Directors (*)
- Depository Agreement General Terms and Conditions (*)
- Certificate of Incorporation
- Certified copy of Memorandum & Articles of Association
- Certified copy of Resolutions of Board of Directors (Re: Banking Account and Advances) (*)

Restrictions:

Deposits exceeding USD 50,000.00 should be sent by wire transfer.

The maximum on the amount of cash (notes) that we can accept for deposit to accounts is USD 10,000.00 per year.

(*) – Provided by the Bank.



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Let us help!

*Need a loan to buy that Condo, Residential or Commercial Property?
Do you want to refinance your existing loan?*

Then call us, come see us, or visit our website to learn more. Ask about our excellent rates and about our other international banking services.

*We Offer: Money Market Accounts, Savings Accounts, CD's, Loans
Letters of Credit, Global Transfers, & Coming Soon...Internet Banking.*

*Through a licensed provider, we can also offer you: Formation of IBC's, Purchase of
Stocks & Bonds, Int'l Investment Opportunities, Int'l Trust & Trusteeship, and
Ship Registration*



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International Bank Ltd.

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