

Decisions, decisions

Egaming is evolving fast, leaving some businesses with pivotal choices to make about where they operate and who with, says **Tina Rawlinson** of **Cavendish Trust**



Tina Rawlinson, FCCA, has more than 18 years' experience with blue-chip international corporate and trust service providers, and specialises in the provision of corporate services for Isle of Man egaming companies, including the licensing process and day-to-day operation. Tina also has significant experience in working with high-net worth individuals and holding fiduciary roles in AIM companies, pre- and post-IPO.

PYTHAGORAS IS QUOTED AS saying, "Choices are the hinges of destiny". This is as applicable in life as it is in business. Irrespective of the business arena, a corporate venture is the sum of many decisions.

Interactive entertainment and, more specifically, the egaming industry is predicting significant growth in the future, predominantly due to improvements in and access to broadband, but also due to development of suitable mobile technology.

The growth prospects are attracting a large number of new players into the egaming arena and causing established providers to review their existing set-up, on the basis that they cannot afford not to consider the alternatives available. Of the many decisions a company should ask itself, there will most definitely be the following two: firstly, where should it license and base the company? Secondly, who should it use to assist with the process?

Location, location, location

While there are many jurisdictions that permit registration and offer egaming licences, the Isle of Man is fast becoming the jurisdiction of choice for the establishment and administration of egaming companies. There are many factors which have led to the Island's position:

- The Isle of Man is one of the few jurisdictions listed on the UK's egaming white list, meaning companies based on the Island may advertise their egaming products in the UK while also benefiting from the Island's licensing advantages.
- The Isle of Man is internationally recognised for its first-rate regulation, which provides kudos to egaming companies based in the region and, more significantly, comfort to players.

"Isle of Man is fast becoming the jurisdiction of choice for the egaming industry"

■ Tina Rawlinson

- The Isle of Man operates a zero rate of corporate taxation and has no capital gains tax, which provides a significantly beneficial taxation platform from which to offer competitive services.

- The Isle of Man offers competitive licence fees, with the non-refundable administration fee for the egaming licence application being set at £1,000 (€1,117), and the current gaming licence fee set at £35,000 per annum. There is also a sub-licensing option at an annual fee of £5,000, which may provide a simpler introduction to having a licensed base in the Isle of Man, or represent a facility more relevant to the extent of an entity's island operations.

- The Isle of Man also offers low betting and gaming duties, as follows:

1.5% for gross gaming yield not exceeding £20m per annum;

0.5% for gross gaming yield between £20m and £40m per annum;

0.1% for gross gaming yield exceeding £40m per annum.

- Of significant importance is the Isle of Man's world-class telecoms infrastructure, which includes two self-healing rings, capacity measured in terrabits with negligible utilisation and anti-DDoS (distributed denial of service) attack technology.

- The Island's world-class telecoms infrastructure has resulted in the growth of excellent local telecoms support service providers in hosting, IT and digital media, which offer the most up-to-date facilities.

- The Isle of Man also offers an invaluable fully self-sufficient power infrastructure, which is supported by sub-sea gas and electricity supplies.

- The Island's long-established financial services sector means it has high-quality attendant professional support services (legal, accountancy and corporate services) with significant expertise in all areas of the egaming arena.

- The Isle of Man government and the Gambling Supervision Commission is formally committed to the ongoing development of the egaming sector and, therefore, adopts an accessible and flexible approach to all existing and proposed island-based businesses.

- The Isle of Man government supports its commitment to the egaming industry by providing the

availability of grants for up to 40% towards the costs of relocation, marketing, hardware and software on qualifying businesses establishing in the Island.

● The Isle of Man has also built up a leading reputation as being an ideal jurisdiction for the Alternative Investment Market (AIM), PLUS Market or FTSE stock market listing, should that be a future intention of an egaming company.

Having reached the decision to establish/relocate, licence and base the egaming company in the Isle of Man, the next decision is which partner(s) to utilise to achieve success.

The best Man for the job

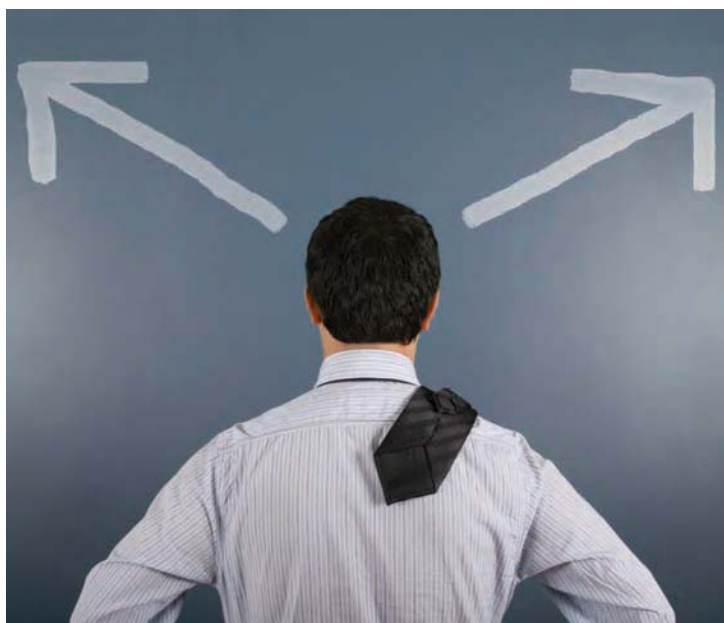
Selection of the most suitable jurisdiction is equally as important as the selection of a partner, with the correct credentials, to assist with achieving the objective.

Cavendish Trust is an independent, niche, international corporate and trust service provider that believes in the provision of services based on traditional values but with modern service standards.

Cavendish Trust has significant in-house expertise in all aspects of the Isle of Man egaming offering, including all pre-establishment and establishment matters, licence application (including assistance with the business plan), VAT registration and introduction to relevant technology partners, government departments and the gaming commission. Thereafter, Cavendish's egaming expertise and comprehensive company administration services are available to ensure compliance with all ongoing Isle of Man egaming regulatory, statutory and accounting requirements.

Why choose Cavendish Trust?

- Senior staff with specific knowledge and practical experience of all Isle of Man egaming matters.
- Close working relationships with local professional service providers, technology partners, government departments, gaming commission officials and HM Customs and Excise officers
- Cavendish Trust is regulated by the Isle of Man Financial Supervision Commission to provide corporate and trust services.
- Independence, which provides the ability to work with any professional adviser or specialist, to ensure a truly bespoke and uncompromised service for our clients.
- Recognition that the traditional method of a true relationship-based approach with clients is vital in the provision of international services.
- Consistent delivery of a high-quality, efficient and personal service to each of our clients, located throughout the world, which provides the basis for our significant referrals based business.



- Cavendish Trust is owner-managed having grown organically, as such has an established base from which to offer flexible and competitively priced administration.
- Cavendish Trust holds professional indemnity (PI) insurance therefore ensuring comprehensive risk cover and can also tailor PI cover to specific client circumstances, if necessary.
- While Cavendish Trust does not provide tax or investment advice, it is able to assist clients by making introductions to appropriate specialists, in accordance with individual client's requirements.
- All of the senior team are professionally qualified and have considerable experience working with international structures. The professional standing and significant experience of our senior team presents a diverse and versatile skill set which allows Cavendish Trust to offer a full complement of services, which include:
 - Company formation and administration services
 - Trust formation and administration services
 - Comprehensive egaming services
 - AIM, PLUS and London Stock Exchange services
 - Private trust companies
 - Professional trustees
 - Multi-family office/bespoke family office services
 - Employee benefit schemes
 - Foundations/Manx family foundation
 - Partnerships/limited partnerships/family limited partnerships/LLCs
 - Intellectual property and royalty structures
 - Payroll services
 - Super-yacht, shipping, and aviation services
 - Space and satellite services
 - Client accounting
 - Fund administration – undertaken by an associated company, Blue Sea International. ✦