



## **The former Fortis team resurfaces under the name Vistra.**

*The exodus affecting the Belgian banking group follows the disappearance of Mees Pierson.*

### **MOHAMMAD FARROKH IN GENEVA**

The announcement in a press release published on Wednesday of the acquisition of Benelux Trust by Vistra is a stylish come back for one of the most prestigious trust management teams in Geneva, since at the beginning of 2006 five of the six trust specialists now active under the Vistra name were still working for Mees Pierson Intertrust, which became Fortis Intertrust. The removal of this brand name – Mees Pierson was founded in the Netherlands in 1721 – does seem to have been the trigger of the sequence of events leading to the creation of Vistra.

### **A centralisation policy**

The decision to axe the brands taken over by the Belgian group has in fact had consequences that are more than symbolic. It reflects a centralisation policy that favours horizontal functions. In practice, this strategic choice also helped Mees Pierson Intertrust, or rather Fortis Intertrust to lose its “boutique” status and take on that of an integrating part of a group that employs around 55,000 people throughout the world, with all the potential conflicts of interest that this involves in an area such as that of trusts.

### **In the medium term, the workforce will triple**

In July 2006, Bart Deconinck, having quit his position as CEO of Intertrust, gave the starting signal for the creation of an independent company, which became Vistra, the capital of which is held in almost equal shares between the management and two financial investors. This departure was followed a few months later by the one of Walter Stresemann, until then Managing Director for Switzerland. The latter is very well known in Geneva, specifically for having managed the company through shareholders and brand name changes. In 1989 he became head of what was then Holland Intertrust, active in Geneva since 1981, five years after its foundation in Amsterdam.

Having become Intertrust, in 1997 the group acquired a subsidiary of the former UBS, Edsaco, increasing its worldwide workforce to 400 people. This did not prevent Intertrust from becoming integrated into Mees Pierson in 2002, a subsidiary of Fortis since 1993.

As for Vistra, the acquisition of Benelux Trust, in Luxembourg, with its 45 employees, brings the workforce of the new group to 125 people. In the medium term the objective is to have 400 employees, as many as Intertrust before its takeover by Fortis.

### **Fortis could be tempted to sell its trust subsidiaries**

The Geneva office, which intends to rapidly increase its workforce to around ten people, acts as the group's headquarters. On an international level, it is present in Cyprus, Jersey and Auckland. The manager of Vistra in London, Dennis Lavin, also previously worked for the Belgian banking group. On the other hand, the Zoug office does not seem to have been affected by the exodus, or at least not yet.

Fortis could be tempted to follow the example of ABN Amro and ING, which separated from their subsidiaries specialised in trusts. "Ten years ago, I thought that independent management was going to disappear. Now we are seeing the reverse", comments Walter Stresemann, who also underlines the growing complexity of the field, due in particular to the increase in the number of jurisdictions and the use of trusts for new purposes, for example for holding intangible assets.

### **Vistra Trustees SA will soon be active**

The creation of independent companies in the area of trusts has arisen in a context of growth, marked in Switzerland by the ratification of the Hague Convention, which sanctions legal separation of the situation of the trustee and the assets of the trust. Hence the possibility of managing trusts from Switzerland in complete security. The group of Bart Deconinck and Walter Stresemann intend to take advantage of this with the creation, in the coming weeks, of Vistra Trustees SA. This specialised subsidiary will enable clients' expectations to be met, but will also enable the share of directors' fees to be increased, therefore diversifying a source of income widely calculated on an hourly basis.