

KEY FACTS

SHORT FORM PURPOSE TRUSTS

THE SHORT FORM PURPOSE TRUST IS A HIGHLY FOCUSED SUCCESSION PLANNING TOOL FOR INDIVIDUALS SEEKING TO ENSURE THEIR ASSETS PASS DIRECTLY AND QUICKLY TO THEIR DESIGNATED HEIRS.

A trust is private legal agreement between the creator of the trust (the Settlor) and the Trustee, for the benefit of named individuals (the Beneficiaries). Short Form Purpose Trusts are commonly used for business succession planning, primarily because they can provide focused estate planning, where an owner of a company does not wish to relinquish control over the administration of the company during their lifetime but wants a succession plan for the transfer of the shares in the company upon their death.

The Trustee's duty is to ensure that the purpose for which the trust has been created is fulfilled. The trust agreement must specify the trigger event upon which the trust terminates and provides for the distribution of the assets upon termination.

BENEFITS OF A SHORT FORM PURPOSE TRUST

- > **Simple, uncomplicated distribution of shares of a client-managed company:** upon the death of the Settlor, it provides for the immediate transfer of the shares to the trust's Beneficiaries, without any complications.
- > **No probate:** the terms of the trust allow the Trustee to distribute the shares of the company to the Beneficiaries without the delays and costs associated with probate.
- > **Control:** the Settlor retains control of the day-to-day administration of the underlying company during their lifetime.
- > **Flexibility:** multiple individuals can be included as Beneficiaries of the trust. The Settlor may change the beneficiaries of the trust at any time.
- > **Revocable and amendable:** the Settlor may amend and revoke the trust as they wish.

- PEOPLE LED
- TECH ENABLED
- GLOBAL COVERAGE
- TAILORED SERVICE

- 1,100 STAFF
- 25 JURISDICTIONS
- 47,000 ENTITIES
- \$177BN AUA

- FUNDS
- PRIVATE CLIENTS
- CORPORATE CLIENTS
- MARITIME

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