Trustees practical guide

Aspiring Law



HOW TO ACT

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What you must do	Act honestly and in good faith	Know th terms of t trust and a accordance the term	he ber ct in ber with or fo	ct for the nefit of the neficiaries or the trusts ed purpose	Exercise trustees powers for a proper purpose
B What you can opt out of	 To act unanimously in decision making 	 Trustee not to take any reward for the role 	 To invest prudently 	 Not to make a personal profit from the trust 	 Not to exercise power for own benefit
	 To avoid conflicts of interests between the trustee & interest of beneficiaries 	 To regularly consider whether to exercise their powers. 	 To be impartial to beneficiaries as set out in trust deed. 	 To restrict future decision- making powers of trustees 	 To exercise reasonable skill and care

HOW TO DEAL WITH BENEFICIARIES

Provide Basic information



Advise a person they are a beneficiary



Name and contact details of trustees and any changes of trustees



Advise the beneficiary has the right to request a copy of the deed or other trust information

Further Trust Information if Requested Beneficiary can request all information on the terms of the trust, its trust property and its administration.

- sets of accounts
- trust minutes
- information on distribution

HOW TO DEAL WITH BENEFICIARIES

However,

before giving the information, the trustees must consider the following factors and then make a decision on whether to provide basic or further information.

- ✓ The nature of beneficiaries interests in the trust and the likelihood of a distribution to the beneficiary in the future.
- ✓ Whether personal or commercial confidentiality applies
- ✓ The expectations of the settlor on the sharing of information when the trust is created
- ✓ The age and circumstance of beneficiaries
- The effect on trustees and beneficiaries if information is provided

- ✓ The effect of giving the information on relationships within the family
- ✓ The effect of giving the information on the relationships between trustee and beneficiaries
- The practicality of giving information to all beneficiaries where there is a large number of them
- ✓ The practicality of restricting use of the information
- ✓ The practicality of redacting the information
- ✓ The context of the information request

HOW TO MANAGE THE TRUST



Get all trust records up to date

Review the trust deed and check on the optional duties

Consider the trusts position on notifying beneficiaries of the basic information. Review the list and record the decision on giving information and how you considered each factor in that decision. Start or continue with regular trust meetings where trustees formally reviewing the activities of the trust:

- Information to beneficiaries
- Reviewing property and other assets and noting any changes
- ✓ The insurance the trust holds for property
- ✓ Any guarantees, mortgages or loans liable for
- Consideration of the needs of the beneficiaries and whether need to make a distribution
- ✓ If settlors living in the trust property review arrangements and paying rent
- Approve annual tax return or tax arrangements (if applicable)





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