



COUNSEL TRUST
— COMPANY —
DRIVEN BY YOUR BEST INTERESTS

Directed Trustee Services

www.counseltrust.com



Enhance the Value and Capability of Your Advisory Business

Offer the highest level of fiduciary services Lengthen client relationships

- Retain high net worth clients
- Intergenerational asset management
- Attract new assets from existing clients
- Assist clients in controlling the transfer of wealth
- Create multiple client touchpoints of asset management, trustee, executor

Harness the power of a trust

- Ongoing control of charitable bequests
- Asset management for minors and special needs
- Estate and income tax mitigation
- Asset protection during life and for ensuing generations
 - Creditors
 - Divorce
- No state fiduciary income tax for compounding trusts

A trust is a flexible legal entity established to administer and manage the financial assets of 'Grantors' – individuals, families, corporations, organizations or institutions. Grantors create trusts either during life or by will to provide asset protection, financial administration, security and asset management for themselves and for their beneficiaries. Trusts are often the vital centerpiece employed in estate planning to assure the most tax and cost efficient framework for passing assets to beneficiaries. Trusts can be revocable and amendable or irrevocable, continuing the task of asset management and administration for generations.





Counsel Trust Provides

Counsel Trust Company, established in 2002 takes a modern approach to trust administration.

A VARIETY OF TRUST SERVICES, ADDRESSING SPECIFIC NEEDS ARE PROVIDED VIA AN OPEN ARCHITECTURE PLATFORM.



Trust administrative services to

- Advisors
- Individuals
- Attorneys
- Organizations



Sole trustee; co-trustee or directed trustee



Advisor ‘turn-key’ trust capabilities

- Seamless with all major custodians
- Assets remain with clients’ preferred custodian
- Maintain preferred trading and management system



Cutting edge technology

- Comprehensive trust accounting
- Complete tax operations and reporting



Broaden Your Capacity to Serve

Competition among advisory firms to attract high net worth and other significant asset clients is fierce.

ADVISORS THAT CAN OFFER COMPREHENSIVE TRUST SERVICES WILL HAVE AN ENORMOUS COMPETITIVE EDGE.

Fulfill the rising demand for a corporate, professional fiduciary

- Estate Administration
- Irrevocable insurance trusts
- Employee benefit plans
- Charitable trusts, foundations, endowments
- Special needs trusts
- Guardianships
- Asset protection trusts
- Multigenerational (dynasty) trusts

Estate planning tools

- ✓ Trusts can mitigate probate costs
- ✓ Trusts can minimize estate and income taxes
- ✓ Tax efficiency
- ✓ Endowments/foundations
- ✓ Administrative flexibility – Include a trust protector and other non-fiduciary advisors

Long term charitable giving

- ✓ Uni-trusts
- ✓ Annuity trusts
- ✓ Remainder trusts
- ✓ Endowments and foundations

Employee benefit plans and IRA's

- ✓ Expand beneficiary choices for 'stretch IRA's'
- ✓ Relieve 401k planned sponsors from fiduciary responsibility

Trusts help to avoid the inevitable asset transfers by beneficiaries to other advisors.

Trusts are typically the main structure in efficient estate planning.

Trusts can mitigate estate and income taxes.

Trusts assure prompt transfer of wealth (avoiding the delays of probate).

Trusts assure long term relationships.





Risk Management

Clients naturally look to their trusted advisors to continue managing their assets after they are gone. Offering trust services enables your clients to maintain the vital asset management and family relationship continuity they so value.

TRUSTEE POWERS ENABLE THE ADVISOR TO IMPARTIALLY ‘STAND IN THE SHOES’ OF THE GRANTOR WHEN FACED WITH MAKING DIFFICULT DISTRIBUTION DECISIONS.



Strong movement back to corporate trustees

- Removes personal and company liability exposure
- No interruption in custody, management and trading
- Include trusted non- fiduciary (family) advisors or a trust protector to assure flexibility



Counsel Trust assumes all fiduciary administration and risk

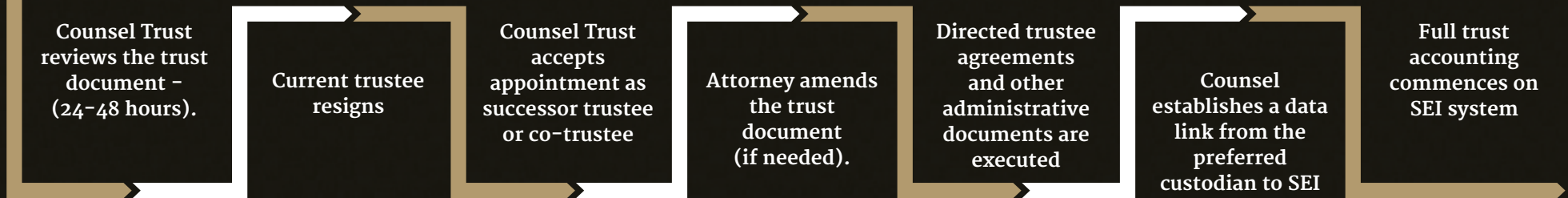
- Trust reviews and interpretation
- Investing standards / suitability oversight
- Full income and principal trust accounting
- Tax accounting and reporting



Avoid compliance burdens

- Maintenance of trust policies and procedures
- Account reviews
- Audit trails and support

TIMELINE TO TRANSFER A TRUST



COUNSEL TRUST WAS BUILT TO SERVE ADVISORS AND THEIR CLIENTS.

ADMINISTERING A TRUST REQUIRES SPECIALIZED KNOWLEDGE, SYSTEMS, AND EXPERIENCE.

When you work with us you enjoy:

- ✓ Quick distribution decisions
- ✓ A dedicated trust officer
- ✓ The ability to retain your preferred asset managers, particular securities or assets and your chosen custodian broker, bank or trading platform.
- ✓ The ability to name non-fiduciary family advisors or a trust protector



Directed Trustee Services – Fee Schedule

Counsel Trust Company annual fees for directed trustee services are based on the market value of principal valued and charged monthly as follows:

0.40% annually	on the first \$1 million
0.35% annually	on the next \$2 million
0.30% annually	on the next \$2 million
0.25% annually	on the next \$5 million
0.20% annually	over \$10 million

Minimum annual fee of \$2,500
 Fees for extraordinary services performed in connection with non-traditional or non-liquid assets may be negotiated separately. Costs related to the preparation of Form 1041 are charged to the trust.

Frequently Asked Questions

Q Who is the Custodian of the assets?

Counsel Trust is custodian ‘agnostic’. In other words, trust account assets can remain, or can be transferred to the advisor’s preferred custodian. For example, we administer trusts with assets held at Schwab, TD Ameritrade, Fidelity and many other custodial platforms. SEI is Counsel Trust’s primary custodian. Through SEI, we set up an electronic data link to our system, enabling full and accurate trust accounting.

Q How do you communicate with my clients?

Client / beneficiary communication responsibility varies from trust to trust, but is determined by the advisor. Some advisors prefer being the local liaison between Counsel Trust and the clients regarding trust administration matters. Other advisors prefer that clients communicate directly with us. In certain cases, we can ‘screen’ the advisor from having to make difficult distribution decisions (such as denying inappropriate requests from spendthrift beneficiaries). Directed trust client communication is flexible and customized.

Q How are distribution decisions made? As advisor, will I have any input?

As trustee, Counsel Trust (along with any designated outside distribution advisors) is responsible and accountable for interpreting and making decisions based on the trust document. We take a very pragmatic approach to decision making, including consideration of information and perspectives of the client, advisors and beneficiaries. Although we cannot assure affirmative responses to all requests, it is our objective to clearly and fairly communicate with clients, advisors and beneficiaries.



Q **What is the process for setting up a trust?
How does my client name Counsel Trust as trustee
while maintaining my firm as Investment Advisor?
What documents are required?**

If a new trust document is being drafted, Counsel Trust can simply be named as trustee with your firm named as investment advisor. Most revocable trusts grant beneficiaries or other individuals the power to change the trustee. Thus, already existing trusts can generally be amended, naming Counsel as successor trustee. We review each trust document to determine the necessary amendment actions. In most cases, we work directly with clients or beneficiaries and the current trustee to enact changes.

The typical process is as follows:

- Counsel Trust reviews the trust document – typically completed within 2 to 4 business days.
- A Counsel Trust trustee acceptance letter and a client (often beneficiary) dismissal letter are sent to the current trustee.
- Attorney amends the trust document (if needed).
- Client signs Counsel Trust directed trustee fee schedule and other necessary documents required by the advisor and custodian.
- Trust account is established at the advisor / client preferred custodian.
- Account assets are transferred or funded with the advisor's custodian.
- Counsel Trust establishes the data link from the preferred custodian to SEI.

After the link between the custodian and SEI are established, trust accounting and administration run seamlessly.

Q **Is Counsel Trust, as trustee responsible for
investment oversight? How will that oversight
impact me as the advisor?**

Directed trusts do not require investment oversight – the trustee's administrative duties are separate and distinct from investment management duties. That said, Counsel Trust communicates with the advisor and clients to understand the overall investment plan for the trust. After the initial meeting, we receive periodic performance reports and monitor to ensure that there are no outsized concentrations.

Delegated trusts (wherein the trustee 'delegates' the investment management responsibility to the advisor) require trustee investment management oversight. Fulfillment of oversight responsibilities typically include understanding the investment strategy and monitoring the asset allocation plan. Delegated trust oversight, however, does not include security level reviews or approvals.

It is important for us as trustee to work with high quality, experienced, professional advisors that employ understandable, broadly accepted and successful investment strategies. Our goal is to remain in the background such that advisors can concentrate on managing trust assets in accordance with their core competency.

Q **How long do trust distribution decisions take?
How are the results of those decisions communicated?**

Our Trust Committee meets weekly, but given our size and focus on flexibility, distribution decisions are typically within 2 business days. Distribution decisions can be discussed with the advisor and / or client directly in the advisor's discretion.

Q **What are non-fiduciary advisors?**

Directed trusts with a Tennessee situs have the flexibility to name (or direct) other advisors (such as family members, an attorney or accountant) to assist and advise the trustee on matters of investment management, beneficiary distributions, the management of a family business or other special responsibilities WITHOUT the normal liability assumed by the corporate trustee.

Q What is a trust protector?

A trusted family member or outside advisor such as the family attorney can be named as trust protector to assure that the trust is administered in accordance with the Grantor's wishes. Trust protectors often have special powers to amend the trust (except with regard to beneficiary distributions) and to maintain the trust's efficacy over time.

Q How are statements generated and accessed?

Trust regulations require that accounting statements are delivered at least once a year. In most cases, we recommend that clients access their account information on line; real time via the advisor's custodial system. We also offer online access through the SEI system, but most clients prefer the simplicity of logging into (and understanding) a single system. On request, Counsel Trust can set up delivery of hard copy statements as often as monthly.

Q What is the trustee fee schedule?

0.40% annually	on the first \$1 million
0.35% annually	on the next \$2 million
0.30% annually	on the next \$2 million
0.25% annually	on the next \$5 million
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Q How are trustee fees charged? How about the investment management fees?

Counsel Trust establishes a small cash account at SEI when the trust is opened. This account allows us to charge the trustee fee, pay bills and make beneficiary distributions from the trust. The custodian replenishes this account as needed – generally every three to six months depending upon outflows. Advisors charge investment management fees separately via the trust account custodian.

Q Who prepares the fiduciary income tax return - form 1041 and associated K-1?

As trustee, we can work with any accountant the client or advisor requests to prepare the annual fiduciary income tax return and K-1. Alternatively, the tax work can be completed by TPS, our outsourcing tax professional partner. The preparation cost is passed through to the trust.

Q Can my client hold real estate and other illiquid assets in trust?

Yes, through SEI we can hold real estate and other illiquid assets in trust provided that independent annual market valuations are completed. Real Estate also requires proof of insurance and any required environmental clearances where applicable.

Q Can my client work with any tax or legal professionals they wish?

Absolutely. Although we can recommend outside professionals if needed, most clients already work with trusted accountants and attorneys and we believe maintaining that continuity is valuable.



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