

Sagacious Asset Protection
Trust Education 8
The Beneficiary Process

DISCLAIMER

The information shared in this presentation is for information and education purposes only, and must not be taken as personal advice or a recommendation.

Due to the extensive nature of information relating to Trusts what we share in this presentation is an overview and must not be construed as being complete or entire.

It does not take into account your personal circumstances needs, requirements or financial objectives.



Selecting Beneficiaries



**Statutory
Revocable Trust**

v

**Common Law Private
Irrevocable Trust**

Many statutory revocable trusts only allow the Settlor to have bloodline family members to be Primary Beneficiaries, and some allow for Default Beneficiaries; with ongoing annual fees and charges.

Common Law Private Irrevocable Trusts allow you to have non-bloodline family members and other people and/or entities as Beneficiaries; with no ongoing annual fees and charges.

The Beneficiaries Process Examples



You initially have **100 UBI*** (*certificate No 001*)



You have a spouse/partner who is to be a Beneficiary.

You surrender your **100 UBI** to the Board of Trustees (BoT) with a request to redistribute the UBI as follows:



You: **60 UBI** (*certificate No 002*)



Your spouse/partner: **40 UBI** (*certificate No 003*)

The Beneficiaries Process Examples



-  You initially have **100 UBI** (*certificate No 001*)
-  You have a spouse/partner who is to be a Beneficiary.
-  You also have 3 children who are to be Beneficiaries.
- You surrender your **100 UBI** to the Board of Trustees (BoT) with a request to redistribute the **100 UBI** as follows:
-  You: **44 UBI** (*certificate No 002*)
-  Your spouse/partner: **44 UBI** (*certificate No 003*)
-  Each child: **4 UBI** (*certificate Nos 004, 005, and 006*)

Units of Beneficial Interest





Another Very Important Consideration

Each Beneficiary should complete and submit to the Board of Trustees at their earliest convenience a

‘Deed of Transfer of Beneficial Units for Designated Heirs’




Designated Heirs Examples



-  You have **50 UBI** (*certificate No 002*)
-  Your spouse/partner has **50 UBI** (*certificate No 003*)
- Your designated heir is your spouse/partner and their designated heir is you, so the surviving beneficiary will have **100 UBI**.
- The BoT will cancel the existing certificates and issue new certificates and record such in the Beneficial Units Certificate Register.

Designated Heirs Examples



-  You have **44 UBI** (*certificate No 002*)
-  Your spouse/partner has **44 UBI** (*certificate No 003*)
-  You also have 3 children who are Beneficiaries each with **4 UBI** (*certificate Nos 004, 005, and 006*)
- Your **44 UBI** can be distributed between one, any, or all of the Beneficiaries.
- Should circumstances* change you simply write to the BoT and request that the previous Designate Heirs form you submitted be cancelled and the new Designated Heirs Form be accepted.

What Happens If?



What happens if you do not submit a
'Deed of Transfer of Beneficial Units for Designated Heirs'

The **Board of Trustees** will make your **Units of Beneficial Interest**
'Null and Void' and allocate them at their sole discretion to:

1. Beneficiaries who are of your bloodline, or if there are none,
2. Beneficiaries that you have placed in the trust, or if there none,
3. Any other Beneficiary.

Units of Beneficial Interest



The Board of Trustees

Maintain an up to date UBI Register of every
UBI Certificate (current and redundant).