

BUILDING TRUSTS THAT SURVIVE AND THRIVE IN ALL MARKET CONDITIONS

Standing the Test of Time

Today's economic climate is a "wake up" call for anyone involved with the management and operation of a trust. Many individuals and families have seen the value of their trusts decline dramatically in 2022, causing an accelerated depletion of assets and difficulties with meeting spend rates. Now is the time to re-evaluate your clients' trust structures and investments to make sure they don't have the same experience.

In-Depth Analysis for Increased Understanding

Cerity Partners has extensive experience with "all-weather" trusts that can help your clients preserve and grow their assets for generations to come.

We can guide you through the process with a series of questions that focus on three key areas:



TRUST INVESTMENT ROLES AND DOCUMENTS

- Who is the trustee?
- Has the trustee delegated their investment responsibilities?
- Is the delegation of investment responsibilities appropriate?
- Is there an Investment Policy Statement (IPS)?
- When was the last time the IPS was reviewed and updated?
- Have you requested, received, and reviewed an in-force illustration for a trust-owned life insurance policy?



SUITABILITY OF INVESTMENTS

- If you haven't already, should you consider delegating investment management functions to a professional?
- Does the trust have a controlling interest in a company or investments in private limited companies?
- Are trust assets adequately diversified?
- Does the asset allocation weighting align with the IPS?
- Are there speculative investments?
- Do you rely on interest and dividends to meet distribution needs?



ABILITY TO MEET DESIRED DISTRIBUTION TARGETS

- Are you concerned about liquidity?
- Is the portfolio designed to manage risk and preserve capital?
- Do distributions need to be fine-tuned in anticipation of a change in the expected total return?
- Are you concerned about the tax implications of investment decisions?
- Does the trust have outstanding loans or debt obligations?
- Is cash flow adequate?



Integrated Planning for Increased Effectiveness

Armed with the answers to these questions, we'll then integrate the investment strategy into a comprehensive plan that positions the trust for success today and tomorrow.



A COMPREHENSIVE TRUST AND FINANCIAL PLANNING SOLUTION

- » Cash flow analysis
- » Fee analysis
- » Written Investment Policy Statement
- » Trust gap analysis
- » Investment due diligence
- » Life insurance reviews and illustrations

Beyond planning, we can also serve as the discretionary portfolio manager for trust investments and as agent for the trustee. By assuming these roles, we can help you drive better outcomes for your clients while mitigating your risk.

CERITY PARTNERS AND YOU. WORKING AS ONE FOR YOUR CLIENT'S WELL-BEING.

Contact a Cerity Partners advisor to learn more.

About Cerity Partners

Cerity Partners is one of the nation's leading independent financial advisory firms. We serve high-net-worth individuals and their families, businesses and their employees, and nonprofit organizations from our offices across the country. Our in-house experts of tax advisors, financial planners, investment professionals, and retirement plan consultants are passionate about and committed to providing objective financial advice and oversight.



About the Author

Susan is a Partner in the New York City office with more than thirty years of experience serving as a senior director in trust, wealth management and family office advisory firms, and as a personal fiduciary advisor to individuals and families. She helps large families and family offices evaluate and establish Private Trust Companies (PTCs) and develops family office governance and operating structures, including fiduciary policies and procedures.

Prior to joining Cerity Partners, Susan was the Director of Fiduciary and Senior Wealth Advisor at EMM Wealth, a fifty-year-old multi-family office serving high-net-worth individuals and families throughout the country.

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