



# INFINITE

POSSIBILITIES

Is your Trust a **Good Trust** or a **Bad Trust**?

Get it wrong and you may as well kiss your assets  
and money goodbye.





# IS YOUR TRUST A GOOD TRUST OR A BAD TRUST?

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## GET IT WRONG AND YOU MAY AS WELL KISS YOUR ASSETS AND MONEY GOODBYE.

*As most trusts normally own 'large' appreciating assets, possibly including the 'family home' and/or other types of investments, the loss can be significant if your trust turns out to be a 'Bad Trust' and someone successfully 'busts' into your trust to attach a claim to your trust's assets. The overall cost of getting it wrong can quickly escalate if you add to that the fees paid to lawyers, valuers, and accountants when creating your trust (which can range from \$3,000 to \$10,000), and the ongoing management fees paid to lawyers and accountants (which can range from \$750 to \$5,000 each year).*

***"Normally, you won't find out your trust is a Bad Trust until it's being called into question."***

## WHY DO SOME TRUSTS FAIL AND OTHERS SURVIVE?

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- Trusts that fail, or Bad Trusts, are not created nor managed properly so they are less likely to survive being challenged by any aggrieved beneficiary, relative or partner, creditor, or official assignee under bankruptcy. The assets in a Bad Trust are likely to be lost to a challenger of the trust, and the set up and maintenance costs paid over the life of a Bad Trust would have been wasted.
- Trusts that survive, or Good Trusts, are created and managed properly so they are more likely to survive being challenged. The assets in a Good Trust remain protected and the costs of setting up and maintain a Good Trust are not wasted.

**If you want a Good Trust and not a Bad Trust, then very simply, YOU MUST set up and manage your trust properly.**

It may cost you a little bit more to do this (by using the right professionals, and everyone fulfilling their respective obligations properly), but it should mean you improve your trust's likelihood of surviving any future challenge.

Normally, you won't find out your trust is a Bad Trust until it's being called into question. And at that point it's too late to do anything about it apart from trying to limit the damage. But you don't have to wait until then to find out whether your trust is a Bad Trust or not. By reviewing the creation and the management of your trust now, you can identify whether your trust is likely to survive a future attack or not, and then rectify the issues likely to cause the most concern.

Below we have set out the main reasons why a trust may be unable to defend itself against a dispute. We've also highlighted what a Good Trust does along with our recommendation of things you can do to improve the chances of your trust defending against any future challenge. We've also summarised the main things that separate a Good Trust from a Bad Trust which you can see on page 12 of this brochure.

## WHAT ARE THE CHARACTERISTICS OF A BAD TRUST?

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The main reasons trusts fail include:

1. Trustees are not independent of beneficiaries
2. Trustees favour one beneficiary over another
3. The predominant purpose of the trust was tax avoidance
4. The original settlement was never physically paid
5. The trust is managed by someone other than the trustee(s)
6. There is no clear separation between trust property and personal property
7. Trustees do not genuinely take part in the decision making
8. Trustees do not meet periodically (or at all) to review the performance or the future planning of the trust
9. The Trust has not kept financial statements, resolutions of meetings, or reasons for any decisions
10. Property was settled into a trust from an insolvent party or from someone about to face a relationship property dispute
11. The beneficiaries live in the 'family home' owned by a trust rent free, contrary to the trust deed
12. Separate property contained within a trust became relationship property
13. The trust is managed contrary to the trust deed/memorandum of wishes, and
14. Material variations were made to the rights or obligations of a trust.

Each one of these reasons by itself need not result in a trust being at risk from a possible dispute. However, the risks of your trust being 'busted open' increase exponentially as the number of reasons increase.

## 1. & 2. DOES YOUR TRUST USE INDEPENDENT TRUSTEES, ENSURING ANY DECISIONS ARE IMPARTIAL BETWEEN BENEFICIARIES?

The whole purpose of a trustee's existence is to administer property on behalf of the beneficiaries. A trustee's duty is one of selfless service, removing themselves from the beneficiaries, and maintaining independence by ensuring all transactions are kept at "arms length".

Trustees' need to:

- Avoid conflicts of interest and taking any personal advantage;
- Disclose all relevant facts to the beneficiaries for any transactions with the beneficiaries;
- Act in good faith and in the best interest of trust; and
- Make any decisions impartially between beneficiaries, not favouring one beneficiary to the detriment of the other beneficiary(s).

Whether or not a trustee is independent or impartial will be compared to the actions of a "prudent person". This can be defined as exercising the care, diligence and skill that a prudent person of business would exercise in managing the affairs of others. This means that if the trustee is a professional, they will have a greater duty of care than a trustee who is a non-professional.

Trustees can be held personally liable for any actions where they have not acted prudently or have not acted in the best interests of the beneficiaries. So if a trustee is not independent, or favours one beneficiary to the detriment of another without consent, then the trustee will be liable for the 'loss' incurred to the beneficiaries affected.

It can be difficult to argue independence or impartiality when you are the settlor, a trustee and also one of the beneficiaries. If you aren't a trustee (or one of the trustees), and an independent trustee (e.g. Public Trust) manages your trust, it can be extremely difficult for anyone to bust your trust open on the basis of lack of independence or impartiality.

**Good Trusts do not allow any person to be both a beneficiary and trustee of the same trust as this undermines both the perception and existence of independence and impartiality. They have an independent trustee making impartial decisions or providing impartial guidance to the other trustee(s).** We recommend:

- Have a professional trustee assist you if you are a trustee as well, or even better, have the professional trustee as the only trustee – thereby removing any possibility for you to benefit more than any other beneficiary from any management decision of the trust.
- Either sharing or having the power of appointment with the other (independent) trustees so one person cannot control the trust.



***“Trustees of Good Trusts are independent of the settlor and beneficiaries.”***

## **“Good Trusts are created for reasons other than saving tax.”**

### **3. IS THE SAVING OF TAX MERELY INCIDENTAL?**

There are many reasons to have a trust. These can include:

- Protection against creditors;
- Limiting exposure to death duties (which still exist but are currently set at zero percent);
- Income tax planning;
- Limiting disqualification from Government benefits;
- Isolating separate property from any future relationship property;
- Taking into account the future requirements of beneficiaries;
- Preserving capital for your children and grandchildren by keeping assets for their benefit and protected from their potential creditors and/or relationship partners; and
- Providing for people unable to own assets in their own right including the seriously ill, bankrupted, minors, disabled, or pets.

A Good Trust will generally have more than any one of the above reasons for its existence. It will never have saving tax as its primary purpose. Trusts which have as their primary purpose, the saving of tax, are likely to be tax avoidance arrangements and void as far as the Inland Revenue Department (IRD) is concerned, which basically means the IRD can treat the income and assets as though no trust exists.

A taxpayer is allowed to reduce their income or incur expenditure in circumstances which reduces their assessable income or entitles them to a reduction in their tax liability – this is legal and is commonly referred to as mitigation. As long as the taxpayer’s tax advantage is merely incidental, and is not derived from an “arrangement”, but from the reduction of income which they accept or the expenditure which they incur, then they should normally be safe from IRD attack.

However, if IRD can prove the tax savings are not merely incidental, or there is an ‘arrangement’ to avoid tax, they can adjust the assessable income of the taxpayers affected, so as to counteract any tax advantages obtained by those persons. Trusts that have been set up primarily to avoid tax are likely to have IRD successfully win a tax avoidance case resulting in the income and resulting tax falling back onto the original settlor.

It is important to note that the burden is on you to prove an arrangement is not a tax avoidance one. IRD will scrutinise every element of the overall arrangement (loans, securities, bank accounts, etc) in terms of commerciality and justification.

**Good Trusts ensure they are created for valid commercial reasons**, and any tax savings are merely incidental. We’d recommend the commercial reasons for creating your trust are documented by way of trustees’ resolutions and kept along with any relevant supporting documentation.

## 4. DOES YOUR TRUST ACTUALLY EXIST?

This may seem like a dumb question. You have your trust deed, so you'd assume your trust actually exists. You might be wrong. Having a trust deed does not in itself mean your trust actually exists. And if your trust doesn't actually exist then whatever assets you transferred into the trust haven't actually been transferred into a trust because it doesn't exist. This means the trust assets remain where they were originally ... presumably owned by you.

For a trust to exist it must have three certainties, one of which is certainty of trust subject matter. Simply put this means that property or assets must be demonstrated to be held under trust stewardship. This is not the case where, for example, your trust deed states something along the lines of "Settlor wishes to create a trust to primarily benefit the beneficiaries and has paid to the Trustees the sum of \$10 ..." and the amount of money stated (in this case \$10) was never actually paid.



**Good Trusts avoid becoming invalid (due to a lack of certainty of trust subject matter)** by opening a bank account in the name of your trust and paying the amount stated in the trust deed into the trust's bank account at the time of their creation. Alternatively, the settlement amount could be paid to the lawyers trust account on behalf of the trust, or stapled to the Trust Deed.

## 5. & 6. ARE YOU TREATING THE TRUST PROPERTY AS THOUGH IT WERE YOUR OWN?

Trustees are responsible for exercising all control functions relevant to a trust's activities. Where the trust is being controlled or influenced by a third party other than the trustee, then arguably an "alter ego" trust may exist. An alter ego trust is essentially a trust where the asserted trust property is the property of the controller.

Sham trusts are similar to alter ego trusts, differing slightly in that the settlor never intended for the property they are settling to be held independently in a trust relationship for the benefit of others.

In both cases, there is no clear distinction between the assets held in the trust from when they were originally owned by the settlor.

If you are unable to defend against a claim of sham or alter ego, then the result will be your trust never existed and the settlor (presumably you) is the owner of the asset(s) the entire time.

**Good Trusts ensure there is no 'blurring' between trust assets and income** with that of the settlor, trustee, or beneficiaries. Trustees must clearly manage the trust property as opposed to a third 'controlling' person, and never allow personal transactions to be shared with trust transactions. Trust property is the trusts, and personal property is personal. We'd recommend the trust open a separate bank account which only trust transactions pass through. Correspondingly, trust transactions should not pass through personal bank accounts. Any other trust assets should not be used personally unless allowed by the trust deed and with full disclosure and confirmation by all beneficiaries (refer special cases later about 'family homes').

## 7. ARE TRUSTEES GENUINELY TAKING PART IN THE DECISIONS OF THE TRUST?

Trustees need to take into account the specific provisions of the trust deed, and act prudently and in the best interests of the beneficiaries. To do this, they need to exercise the care, diligence and skill that a prudent person of business would exercise.

A prudent person of business does not sign agreements or resolutions placed in front of them without first understanding what they are, and whether or not they are in the best interests of the parties involved.

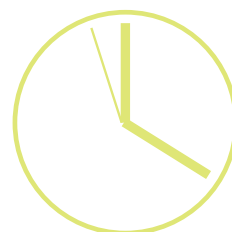
The practice of some trustees whereby they “rubber stamp” documents on behalf of the settlor or other trustees puts the trust validity at risk because the trustees signing off various documents have not exercised the care, diligence and skill that a prudent person of business would exercise. At best, their actions may have caused loss to beneficiaries for which the trustees could be held personally liable. At worst, the trust could be seen as void as it is not being run as per the trust deed due to the trustees which the deed discloses being different from the trustees who are actively managing the trust.

Further, trustees are not allowed to delegate their powers or discretions to avoid their personal liability. Trustees are able to delegate part of their investment functions to other experts and advisers, BUT they must exercise oversight as they remain ultimately responsible.

**Good Trusts ensure their trustees genuinely take part in the decisions of the trust.** Their trustees do not merely ‘rubber stamp’ documents and instead are actively aware of the circumstances and requirements of the trust before agreeing to sign anything. We recommend any trustees of a trust are only those parties that will be actively involved in the decision making of the trust. Any independent trustees need not be involved in the day to day management of a trust, but they must be kept informed of the overall management to ensure they don’t abdicate their overall responsibilities.

## 8. ARE TRUSTEES MEETING REGULARLY?

The management of a trust requires that trustee’s meet regularly, documenting their actions and demonstrating with supporting documentation the proper consideration of beneficiaries’ interests.



It can be hard to prove a trust has been managed properly where trustees have never met apart from when the trust was created. As trusts can exist for many decades, it becomes even harder to defend decisions made in the past were in the best interests of the beneficiaries at the time unless supporting documentation is kept.

Any challenges to a trust will usually occur many years after a trust has been created. It is possible the trustees at the time of creation may differ from those who were around at the time of any transaction that is being scrutinised. Supporting documentation for past transactions and decisions may well successfully defend the attempt to reach trust assets.

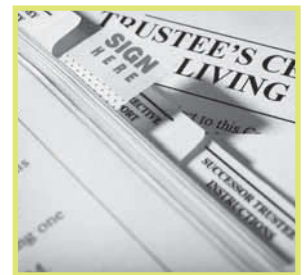
**Good Trusts have trustees that meet at least once every year.** At these meetings the trustees document their actions, keeping any relevant supporting documentation that the proper consideration of beneficiaries’ interests was made. We recommend that all trustees physically meet at least once every year to confirm the past year’s performance and also to confirm the intended plan(s) for the trust for the coming year.

## **“Trustees of Good Trusts genuinely take part in the trusts’ decisions.”**

### **9. DOES THE TRUST HAVE A TRUST DEED, ANNUAL FINANCIAL STATEMENTS, RESOLUTIONS, AND ALL OTHER DOCUMENTARY EVIDENCE?**

Trustees have a duty to account for the trust which means they must keep a full record of their trusteeship to show whether or not they have performed their duties managing the trust property. To do so, they must keep proper, faithful and accurate accounts – at the very least, the following documentation should be in existence:

- a proper trust deed,
- annual financial statements\*,
- trustee resolutions and minutes\*\*,
- proper deeds of advance/resettlement,
- detailed documentation recording the exercise of powers of appointment,
- gifting documentation verifying debt reduction,
- relevant disclosures of information to entitled beneficiaries, and
- other conventional documentary requirements.



\* Annual financial statements must be kept by the trust regardless of whether or not the trust must lodge a tax return with the IRD. Financial Statements account for any money in and out of the trust during each year along with the assets and liabilities at the end of each year.

\*\* Resolutions and minutes must support any decisions made by trustees and support the decisions were those a prudent person of their skills might have undertaken as a trustee, and should at the very least consider the interests of the beneficiaries, and conform with the trusts overall strategic plan.

A trustee is subject to a personal obligation to hold and deal with trust property for the benefit of the trusts' beneficiaries, and is held accountable to the beneficiary for whom they hold the trust property. As a beneficiary is entitled to inspect the trust documents, a trustee will be held personally liable to a beneficiary where they are unable to account for their trusteeship when requested.

**Good Trusts have annual financial statements,** resolutions/minutes, necessary deeds, gifting documentation, relevant disclosures to entitled beneficiaries, and any other documentation supporting their trusteeship. We recommend trustees keep a proper accounting system so that annual financial statements can (and are) prepared. We'd also recommend resolutions, minutes, deeds (where required) are prepared for any changes to the trust including any significant asset purchases, taking on any borrowings, any change to investment strategy, any distributions to beneficiaries, and debt reductions either by lump sum or gifting.

## 10. IS THE SETTLOR SOLVENT AT THE TIME OF SETTLEMENT?

One of the reasons for having a trust is to protect assets from claims by creditors or partners (both ex or current). Therefore some people have attempted to defraud creditors or partners by thwarting their ability to reach their personal assets by transferring them into a trust with the knowledge they are about to face a claim, whether that is a relationship claim or a contractual obligation.

Such attempts are reasonably easy to identify due to: the transfer occurring at a time the settlor is insolvent (usually not long before they are adjudged bankrupt), or is about to face a relationship property dispute; the transfer being at less than market value (to reduce the debt back); or the execution of loans with artificial repayment terms and/or legal mechanisms in a debt obligation that is designed to prevent a creditor or partner to call up that debt (i.e. not commercial).

Defrauding others is morally wrong so there is legislation in place to stop this sort of behaviour happening.

- The Insolvency Act 2006 enables gifts or transactions for inadequate consideration made within two years preceding a trust settlor's bankruptcy to be set aside. The period is extended to five years where, at the time of the settlement, the settlor's remaining assets were insufficient to meet their liabilities.

The presumption is that gifts and insolvent transactions made within that time, unless the contrary is proved, are made at a time when the bankrupt is unable to pay their due debts. Unless the contrary is proven, the court can require the trustee or beneficiaries to pay the amount of any inadequacy.

- The Property Law Act 2007 provides the court can set aside certain transfers of property that "prejudice creditors".
- The Property (Relationships Act) 1976 provides that transfers of property may be set aside if they were made in order to defeat the claim or rights of a partner.

**Good Trusts are settled at a time when the settlor is solvent and before any possible relationship property rights exist, and any and all gifts or later transactions between the settlor and the trust are both commercial and for adequate consideration.** We recommend that if you plan on having a trust to hold assets that you do so earlier rather than later, to give you time to gift off the debt back on any property transferred and to avoid the possible claw backs of any gifts or dispositions made within five years of any possible bankruptcy or the risk of the transfer being set aside because a property claim existed at the time.

***“Good Trusts have provisions in the trust deed allowing beneficiaries to live in any family home rent free.”***

## 11. DOES YOUR TRUST OWN YOUR 'FAMILY HOME', WHICH YOU STILL LIVE IN?

It is not uncommon to have a 'family home' owned by a trust, and it is also not uncommon for a settlor/trustee/beneficiary to live in that same 'family home'. This need not cause any problems as long as:

- The trust deed allows for the settlor/trustee/beneficiary to live in the property rent free, or the trust charges a 'market rent' to them to live in the 'family home'; and
- Each year the trust reviews the arrangement and confirms the arrangement by way of trustees meeting and resolution.

The main issues that arise when living in the property rent free are:

- The trust deed must allow the beneficiary to live in the property 'rent free'.
- The consideration to the trust for living 'rent free' is the payment of all property costs (rates, insurance, repairs/improvements, and mortgage interest).
- Annual resolutions to confirm the arrangement for the last year, as well as to confirm the arrangement will continue into the next year.
- No income tax returns will be required as the 'rent free' agreement is not assessable income to the trust (unless there is other assessable income).

The key issues that arise when treating the property as a residential rental are:

- The rental should be run just like an 'arms length' residential tenancy – e.g. a market rent is charged, sign a tenancy agreement, paying a bond to the Department of Building and Housing ...
- All property costs and income should be through a separate trust bank account.
- The rent should be reviewed periodically as per the tenancy agreement.
- Income tax returns will need to be prepared and lodged with IRD annually.



**Good Trusts ensure their trust deed allows the beneficiaries to live within any trust property** free of rent, and they have their trustees review the situation annually by way of resolution. We recommend you check your trust deed to ensure there is a specific provision allowing you to live in any 'family home' owned by your trust, as well as whether or not there are annual resolutions approved by trustees allowing you to continue living in the trust property rent free in return for you paying the ownership costs (insurance, rates, mortgage interest, repairs/improvements).

## 12. DOES THE SETTLOR ALLOW A RELATIONSHIP PROPERTY CLAIM TO ATTACH TO NON RELATIONSHIP ASSETS?

If a non property owning partner contributes to an increase in the value of the other partner's separate property, the increase in value can become relationship property regardless of who owns the property. Serious consideration should be made before undertaking any alterations or improvements to any separate property owned by a trust. To maintain the property as separate property you will need to ensure the partner/spouse doesn't do any work themselves and a third party independent contractor is used instead, OR alternatively any work done by your partner/spouse is paid for on commercial/market rates.

Also, where the separate property is used for the common use or common benefit of either spouse or partner, an interest in relationship property can be created.

**Good Trusts ensure that any separate property they own remains separate property and does not become relationship property.** We recommend you ensure a partner cannot attach a claim to the property by way of adding value to or using the separate property, as well as avoiding the use of relationship property to fund separate property owned by your trust. This can be achieved by:

- Pay others to do any 'relationship' work (i.e. housekeeping, childcare, modifications to property...).
- Try a section 21 agreement that the property is the spouse's/partner's separate property and that no indirect contribution during the relationship will entitle the other to share in the value of the property (and hope the agreement is not set aside in the future).
- Establish the trust before any relationship is contemplated.
- Avoid making additional settlements into the trust after a child/grandchild has married or is about to marry or cohabit with someone.

## 13. ARE TRUSTEES CONFORMING TO THE TRUST DEED AND/OR MEMORANDUM OF WISHES?

If a beneficiary can demonstrate some clear aspect of improper conduct on the part of the trustee(s) about the way in which the investment decision making has been carried out and implemented at the time, then the trustees can be held personally liable. This can easily occur when a trustee has ignored a specific provision of the trust deed.

To avoid any possibility of ignoring a specific provision of the trust deed, trustees must be familiar with the trust property and the trust deed. And any strategic plan of the trustees (documented by resolution) will need to have considered both the trust deed and any relevant memorandum of wishes.

Most trust deeds will have specific requirements relating to trustees that transact with a trust (usually to buy or sell property) – this is to protect beneficiaries from trustees acting in their own personal best interests as opposed to that of the trust. Trustees cannot purchase trust property unless they are authorised to do so by the trust, the purchase must be at a fair price, and all beneficiaries must consent.

**Good Trusts have trustees who consider, and comply with the trust deed** and memorandum of wishes before making any decisions for the trust. We recommend all trustees have a copy of the trust deed (and memorandum of wishes if relevant) and are aware of its terms before agreeing to any transactions by the trust. Trustees should never buy trust assets unless it is in the best interests of the trust, is at a fair value, and all beneficiaries agree (prior to the transaction taking place).

## 14. HAVE THERE BEEN SIGNIFICANT CHANGES TO THE BENEFICIARIES OF A TRUST?

Variations to a trust deed can range from administrative reasons to those that alter beneficial interests. Depending on the extent of the variation there may be tax consequences which occurs due to the transfer of property in the tax base, and not from the fact of the variation itself.

A variation of a minor nature such as a change of the trust's name will have no tax consequences because there is no alteration to the rights or obligations of the trust. However, it is entirely possible changes to the substance or nature of a beneficiary's interest in the trust or changes to the operation of a trust may result in an existing trust ceasing and a new trust being created. Such changes can give rise to the resettlement of a trust for some legal purposes (essentially the ending of the current trust and the creation of a new trust).

**Unfortunately, neither trust law nor taxation law is very clear** on exactly what changes to a trust deed constitutes the creation of a new trust. Given the uncertainty that surrounds any variation of trust, we recommend extreme care is taken to ensure no unanticipated tax effects when varying the beneficial ownership of any trust.

## CONCLUSION

***Our advice is to do it well, or don't do it at all.***

*The cost of getting it wrong is too high.*

Any trust should weigh up its likely costs in terms of both money and time against the likely benefits to make sure it's worth it. It may cost you a little bit more using the right people to do it well, but this should be more than covered by the increased security knowing your trust is more likely to survive any possible future challenge.

And how do you know if you're using the right people? The right people (lawyers, accountants, independent trustees) should be fully aware of the requirements of a trust, including both the creation and ongoing management. They will make sure you understand the above issues before you proceed to create the trust deed. If they don't mention the ongoing requirements, the necessity of treating trust property as not your own, or showing proof of payment of the initial trust settlement, then chances are they aren't the right people.

One last caution – you will never have the certainty that your trust assets will be 100% safe. Legislative changes over time can end up applying retrospectively (intentionally or not) so what is 'safe' today can be at 'risk' tomorrow. Anyone who tells you your trust assets are 100% safe is misleading you.

We'd be happy to talk with you more about your trust if you have any concerns, or if you're considering setting up a new trust. You can find our contact details on the back cover of this booklet.



# GOOD TRUST, BAD TRUST.

## BAD TRUSTS

**What things do Bad Trusts do that leads to them exposing the assets of the trust?**

The original settlement (usually \$10 or \$100) was never physically paid to the trust.

Saving tax is the primary purpose.

They have no independent trustee or trustees.

Trustees make decisions that aren't impartial between beneficiaries.

There is little or no distinction between assets supposedly held in trust and assets of the settlor.

Trustees 'rubber stamp' documents without the full knowledge of the circumstances or requirements of the trust.

Trustees never meet.

There are no resolutions kept in respect of any decisions made by the trust.

There are no records of the financial performance nor statements of position (financial statements) for the trust.

The trust only prepares gift duty certificates for the Inland Revenue Department and no deeds of gift, nor acknowledgments of debt are kept.

The trust is managed without any reference to the trust deed and/or memorandum of wishes.

The settlor was insolvent at the time of creating the trust and was made bankrupt within five years of the trust's creation.

Any 'family home' is provided rent free without express trust deed approval.

Separate property becomes relationship property.

**NOT CREATED NOR MANAGED PROPERLY.**

## GOOD TRUSTS

**What things do Good Trusts do that helps them to better protect the assets held?**

The original settlement (usually \$10 or \$100) has been paid into a trust bank account.

Any tax savings are purely incidental.

They have an independent trustee, or trustees.

Trustees make decisions that are impartial between beneficiaries.

There is a clear distinction between assets held in trust as opposed to assets owned by the settlor.

Trustees genuinely take part in the decisions of the trust and are aware of the circumstances and requirements of the trust.

Trustees meet regularly.

Resolutions are kept documenting the decisions of the trust.

Records of the financial performance and statement of position (financial statements) have been prepared at least annually.

Deeds of gift and acknowledgments of debt are kept for any gifting done.

The trust is managed in line with the trust deed and/or memorandum of wishes.

The settlor was solvent at the time of creating the trust and has not been adjudged bankrupt within five years of the trusts creation.

Any 'family home' is made available rent free as allowed by trust deed, or alternatively on commercial terms.

Separate property stays separate property.

**CREATED AND MANAGED PROPERLY.**



"helping you get what you want  
... in business and life"

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