

## **SUPPORT & TRUSTEE ADVISORY SERVICES**

The mandate of Support & Trustee Advisory Services is to assist families in setting up workable trust funds for their sons and/or daughters who have an intellectual disability by:

- ◆ providing information, public education and assistance to families who are planning for the future of a family member who has an intellectual disability;
- ◆ maintaining and providing up-to-date information on wills, trusts, government benefits, and financial and estate planning; as well as providing names of appropriate professionals who can provide legal and financial advice;
- ◆ educating and providing information to financial and estate planning professionals about the unique challenges facing individuals who have an intellectual disability and their families; and
- ◆ encouraging individuals and families to develop networks of support.



[www.mystas.ca](http://www.mystas.ca)

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**Support &  
Trustee Advisory  
Services**

**Trustee  
Advisory  
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**We encourage you to share  
the information in this  
brochure with your lawyer  
and financial  
planner**

## Why are Trustee & Advisory Services being offered?

There are four reasons why we have established an arrangement with Royal Trust to offer these services:

- ◆ A trust is essential in providing funds to a person who has an intellectual disability to ensure quality of life needs beyond what is provided by government funded social services agencies.
- ◆ Many people who have an intellectual disability receive government benefits. Present laws affect the ways in which trust funds can be established and used without interfering with these benefits.
- ◆ Many families have said that they want to set up a trust fund but have great difficulty selecting trustees to manage the money.
- ◆ Many trusts are expected to be in place for an individual who has an intellectual disability for many years. So long as the beneficiary is alive and there is money left in the trust, it is necessary to have trustees to manage and administer the trust. This means that consistent trustee services may need to be available on a long term basis.

## How will Trustee & Advisory Services be offered?

Support & Trustee Advisory Services and Royal Trust have entered into a Trustee and Advisor Agreement which sets out terms and conditions of the relationship between them, as well as the conditions under which families can participate and

accept the trustee services being offered. Under this agreement, families can establish a *living trust* (inter vivos) or a *testamentary trust* (through a will), or both. Royal Trust is appointed to be the Trustee and is also authorized to act upon the advice and recommendations of STAS, which is the Advisor. STAS informs Royal Trust about the financial needs of each beneficiary under a trust fund.

Royal Trust will then be the only named Trustee for the trust funds established in this manner. STAS will require other family members, residential managers or resource support workers to provide information on the financial needs of the beneficiaries. In this way, the individual's support network will be directly involved in helping make decisions about how trust money is spent.

## What kind of Trust Fund is used under this arrangement?

The Trustee and Advisor Agreement uses an **Absolute Discretionary Trust**. This kind of trust gives the trustee the absolute right to make decisions about if, when and how the trust fund is used for the benefit of beneficiaries. No specific obligations to "support" the beneficiaries are mentioned. STAS works closely with the individual's support network to determine his or her needs and requests funding when appropriate from Royal Trust to meet those needs.



## What do I have to do to be a part of this arrangement?

There are three steps you must make to participate in the Trustee and Advisory arrangement with Royal Trust and Support & Trustee Advisory Services:

- ⇒ Sign a PARTICIPATION AGREEMENT with Support & Trustee Advisory Services. This agreement is a legal document and you would need to consult with a lawyer. The agreement spells out the obligations of STAS and provides information about your loved one and your intentions for contributing to a trust fund.
- ⇒ Decide if you want to establish a *living trust*, or a *testamentary trust* or both.
- ⇒ Contribute cash assets to the trust fund by transferring money to Royal Trust. Thanks to the arrangement between STAS and Royal Trust, the minimum you must leave to a loved one who has a disability is \$10,000 in order to create the trust fund. This is well below the amount that trust companies will normally require to act as trustee. Of course, you are permitted and encouraged to leave more in trust for your loved one. Remember, your loved one may live for a number of years after the trust is established. If the money in your loved one's trust is completely spent while he or she is still alive, he or she will no longer be a beneficiary under a trust arrangement with Royal Trust and STAS.

Your Will should refer to the Trustee and Advisor Agreement between Royal Trust and STAS. It will also need to include standard clauses that have been prepared specifically for this arrangement. STAS can provide these standard clauses to you or your lawyer. These documents are available online at the Support & Trustee Advisory Services website.