

*WAY Tax and Trustee
Advisory Services*



A professional trustee service designed for the WAY Inheritor Plans

For UK Investors only

For plans arranged through WAY Investment Services



Why appoint a professional trustee?

Because all too often the proposed trustees don't possess the necessary skills and experience to perform their duties.

The dilemma of choosing friends and family as trustees

The duties of a trustee are contained in the Trustee Act 2000 together with the relevant parts of several previous Acts.

In the past it was sufficient for a trustee simply to be a trustworthy individual. However, their role and responsibilities have become more complex, and the advent of increased regulation and litigation means the duties of a trustee have taken on a whole new dimension.

Friends or family are often appointed as trustees, and whilst there may be no doubt as to their integrity and willingness, you must ask yourself this simple question: "Do they possess the necessary skills and really understand the role and responsibilities of a trustee?"

In addition it is required that two or more individuals be appointed, and all trustees must agree on the decisions taken regarding management of the trust. All too often family members will have different views leading to disagreement and delay.

So what does a trustee actually have to do?

As legal owners of the trust assets, the trustees are responsible for administering the trust fund in the best interests of the beneficiaries, and in accordance with the trust deed. This means they must:

- be fully conversant with and understand the terms of the trust;
- regularly review the needs of the beneficiaries;
- be sympathetic to the needs of the settlor whilst not compromising their responsibilities to the beneficial class;



- act impartially and not allow personal opinions and prejudices to influence actions;
- ensure investments held by the trust are suitable and expose the trust to an appropriate amount of risk;
- periodically review the investments, taking advice from qualified professional advisers to ensure they continue to be suitable;
- consider the tax implications of their decisions for the trust, the settlor and beneficiaries;
- register the trust with HMRC and notify it of any changes to the trust;

The exercise of these duties will require a trustee to use their judgement in the context of all the relevant circumstances before making a decision. To apply this judgement effectively requires experience and, in most cases, specialist training.



Trustee expenses

Professional trustees will need to be reimbursed for the expenses they incur while carrying out duties in managing the trust fund.

A schedule of management fees will be drawn up with the fees usually deducted from the trust fund.

Under the WAY Inheritor Plans, WAY Tax and Trustee Advisory Services Limited (WTTAS) deducts its fees from the Plan using a trustee bank account so that the expenses can be monitored.

The current fees for the WTTAS service are set out in the Fee Schedule shown in the Plan brochure.

Choosing WAY Tax and Trustee Advisory Services as professional trustee ensures the WAY Inheritor Plans operate smoothly.

Why a professional trustee is crucial

WAY Tax and Trustee Advisory Services Limited offers an expert and specialist professional trustee service for the WAY Inheritor Plans provided by WAY Investment Services Ltd. The role of trustee can be onerous for

untrained and inexperienced individuals and tasks will often require expert assistance. Consequently, WTTAS will be appointed as trustee for the WAY Inheritor Plans.

i We carry out the duties shown below to ensure the trust-based WAY plans run smoothly.



Why use a professional trustee

Since the Trustee Act 2000 became law, the role of a Trustee has become more complex. It's particularly important when dealing with inheritance tax legislation that the Trustee understands exactly how the Plan works. There can be expensive consequences if the paperwork isn't completed on time or correctly.

Disputes often arise where trustees are also named as beneficiaries. A professional trustee is completely unbiased and will uphold the Settlor's wishes. A professional trustee will ensure the beneficiaries' inheritance is protected.



WAY Inheritor Plans and the WAY Tax & Trustee Advisory Services (WTTAS).

When taking out a Plan, as the Investor (Settlor), we have to make you aware of your responsibilities and how WTTAS engages with you, WAY Investment Services and the nominated Investment Platform, effectively the Terms of Business that is being applied.



The following is very important and should be read prior to completing any application for a WAY Inheritor Plan.

Definitions

- The **Adviser** means the person appointed to act as investment adviser to or as investment manager for the Company.
- The **Company** means WAY Tax and Trustee Advisory Services Ltd and/or its officers and employees of the Company.
- The **Investment Wrap Platform** (or "Platform") (or "Platform") means the investment nominee through which the Company (or its appointed Adviser on instruction) shall transact and the Company will hold the funds in the investment portfolio.
- The **Service** means the trust administration services provided by the Company.
- The **Settlor** means the person who has set up a WAY Inheritor Plan and is appointing the Company to act as Corporate Trustee of the Plan.
- The **Trust** means the WAY Inheritor Trust set up by the Settlor as part of the Plan and to which the Service is provided.
- The **Trust Fund** means the underlying assets of the Trust.
- The **Co-Trustee** means any person or persons appointed by the Settlor to be trustee(s) of the Trust jointly with the Company.



Confidentiality

- The Company's officers and employees will maintain full confidentiality but may release information to third parties where required to do so by law or by order of the court or where it is necessary to achieve the aims of the Trust.

The Service

- The provision of the Service is subject to the terms and exclusions of the trust deeds and the terms and conditions of the Plan.
- In providing the Service, the Company does not offer tax and legal advice and will not accept

any loss or liability in this respect. The Settlor is responsible for taking professional advice on the tax, legal and administrative implications of the Plan, including its suitability in meeting the Settlor's requirements.

- The Settlor will immediately notify the Company of any changes in personal circumstances that could impact on the workings of the Trust or the Service provided to it.
- Although the Company may agree to the Settlor's request that a preferred Adviser is appointed to act for the Trust, the Company is obliged to retain the power to refuse such an appointment on the grounds that the named Adviser is not formally authorised, suitably qualified or experienced to operate in this capacity with regard to the Trust Fund. The Company also reserves the right to appoint or dismiss any Adviser without seeking the Settlor's consent. Any request by the Settlor for a subsequent change in the Adviser acting for the Trust must be made in writing to the Company.
- The Company reserves the right to require the appointment of a Protector.

Trust Assets

- All assets comprising the Trust Fund will be held on the chosen Investment Wrap Platform as nominee acting for the Company and any Co-Trustee.
- The Company will carry out an annual performance review of the Trust Fund in conjunction with the appointed Adviser. This will be in line with the investment policy of the Trust and measured against the agreed benchmark. The Settlor authorises the payment of approved initial financial adviser and Platform fees from the investment amount prior to investment. The Settlor further authorises the payment of subsequent fees levied by the Platform, WAY Investment Services Ltd (the plan provider) and the appointed Adviser and agreed by the Company from the Trust Fund.
- The Trust will maintain a minimum cash reserve to cover recurrent trust management expenses.

Due diligence

- The Company is obliged to comply with anti-money laundering requirements and will require certain information at outset and occasionally thereafter. If the Settlor or a beneficiary of the Trust fails to provide this information, the Company can terminate or suspend the Service without responsibility or liability.
- The Company will not provide the Service until such time that its acceptance procedures have been completed to its satisfaction.

Communication

- Company will normally communicate via the Adviser unless otherwise agreed.
- Communications will be by letter, e-mail, or telephone. The Company will not be held responsible for any failure or breach in security.
- Formal requests or instructions required from the Settlor by the Company must be in writing..

Remuneration

- The Company is entitled to remuneration in accordance with the Fee Schedule in force from time to time and is authorised by the Settlor to pay these out of the Trust Fund as and when due.

Liability

- The Company is only liable for any loss or damage caused by its negligence and wilful default.
- Attention is drawn to **Clause 10.3 of the WAY Inheritor Plan Trust Deed.**

Data Protection

- The Company is registered under the Data Protection Act.

Termination

- Company reserves the right to terminate the Service on one month's written notice from the Company to the Settlor.
- Similarly, the Settlor may terminate the Service on one month's written notice to the Company but must then provide the Company with details of its successors.

Other professional services

- The Company reserves the right wherever it considers necessary or appropriate in providing the Service to delegate any of its responsibilities or functions to or seek advice from any third party or agent. In all such cases, the costs of such third party or agent will be payable from the Trust Fund.

Complaint

- If the Settlor is dissatisfied with any aspect of the Service provided, the Settlor should let the Company know by contacting the Director in charge who will undertake to look into any complaint carefully and promptly.

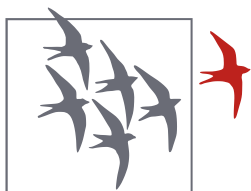
Variation

- The Company reserves the right to vary these Terms of Business from time to time and will notify the Settlor accordingly.

Governing Law

- These Terms of Business and the provision of the Service shall be governed by and construed in accordance with English law.





WAY Tax and Trustee Advisory Services

Please Remember

WAY Tax & Trustee Advisory Services Limited offers a professional trustee service for the WAY Inheritor Plans which are provided by WAY Investment Services Limited.

WAY Investment Services Limited is an Appointed Representative of Investment & Tax Advisory Services Limited which is authorised and regulated by the Financial Conduct Authority.

The information contained within this document is based on our understanding of current law and HM Revenue & Customs (HMRC) practice as at April 2021.

It should be noted that tax legislation may change from time to time and the value of any tax relief may depend on the settlor's individual circumstances.

The stated tax implications cannot be guaranteed. Settlers should rely on their own independent tax advice.

If you have any questions regarding the WAY Tax & Trustee Advisory Service please contact us on 01202 890895, or email us at trustees@waygroup.co.uk

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