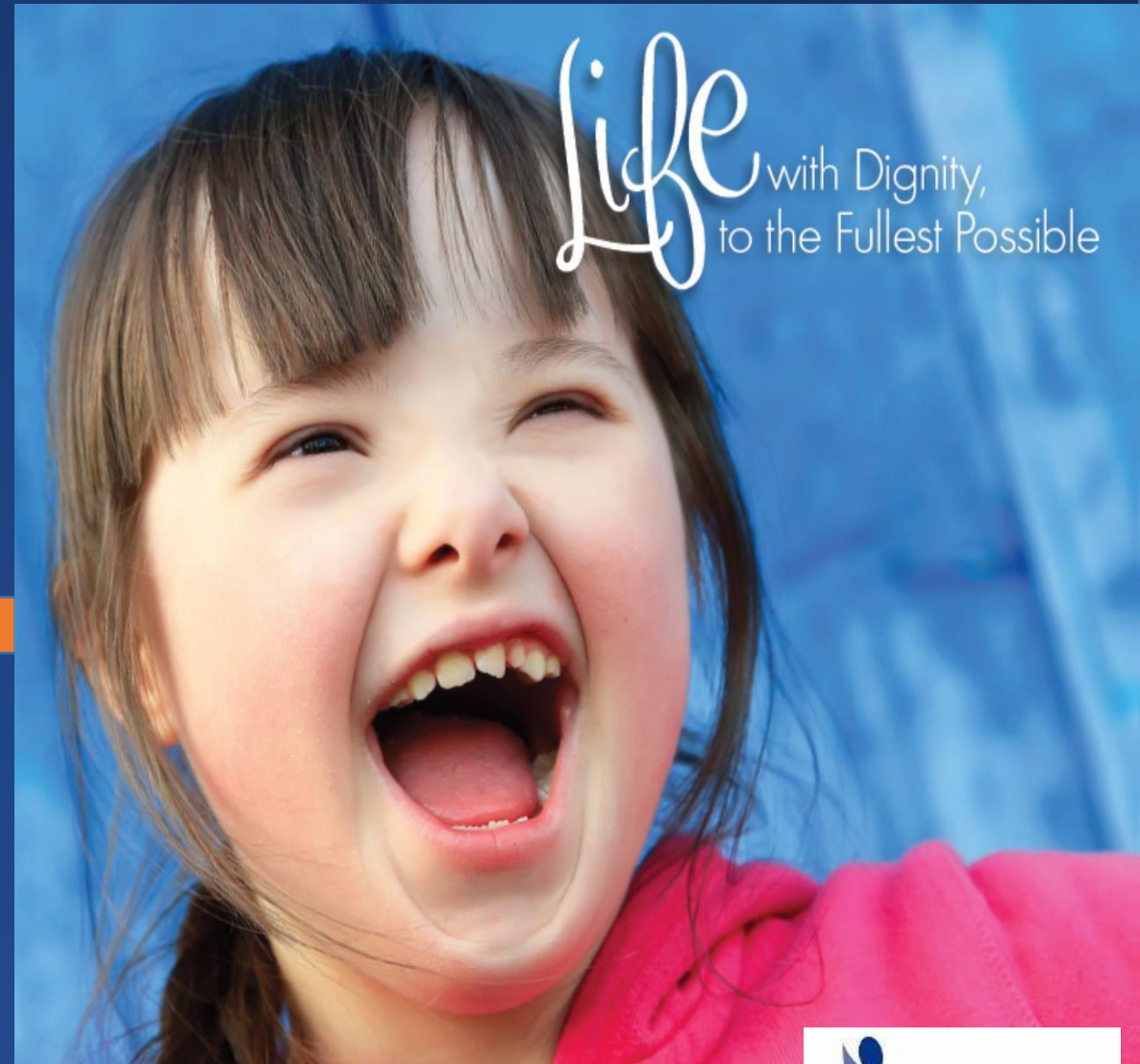


Supporting Elderly Without Next-of-Kin:

SNTC's Pre-Planning cum Trust Service



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Outline

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I. Background

History

Only non-profit trust company in Singapore

Set up as a Company Limited by Guarantee (CLG)

Accorded Institution of Public Character (IPC), i.e. charity status

Fully funded by the Ministry of Social & Family Development (MSF)

Vision & Mission

Mission: to enhance the financial security and well-being of persons with special needs (PSNs) through the provision of affordable trust services

Vision: to collaborate with individuals and communities to ensure that support is available for PSNs who are unable to manage their finances independently

Target Clientele

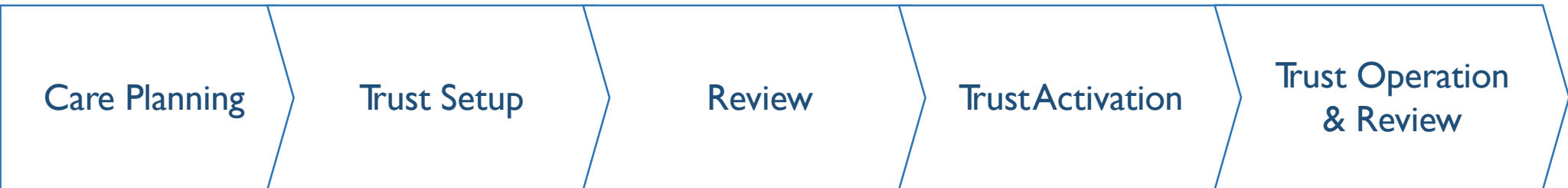
Persons with special needs (e.g. physical / developmental / intellectual / mental disabilities) who are low to middle income

2. SNTC's Services

Current

Trust Service

Brief description: the settlor (e.g. parents / siblings / spouse / legal representative of beneficiary) entrusts a sum of \$ to SNTC for the beneficiary's future care needs. Upon the settlor's demise, SNTC administers the \$ according to the Care Plan developed by SNTC with the settlor.



New

Pre-Planning cum Trust Service

Brief description: SNTC develops a Care Plan with the client (i.e. elderly with no family support) for his future care needs and signs an Agreement with SNTC, whereby SNTC will engage his professional donee / preferred professional deputy when he loses mental capacity to set up a trust for his benefit, and thereafter administer the \$ according to his Care Plan.



3. SNTC's Pre-Planning cum Trust Service

Who is this service for?

- Elderly with no family support (i.e. no next-of-kin to rely on to manage one's finances should one develop mental incapacity); and
- Are not high net worth individuals but have some assets; and
- Who would like to plan ahead for his/her future care in the event of mental incapacity

How does it work?

- Workflow –



3. SNTC's Pre-Planning cum Trust Service

Initial Assessment

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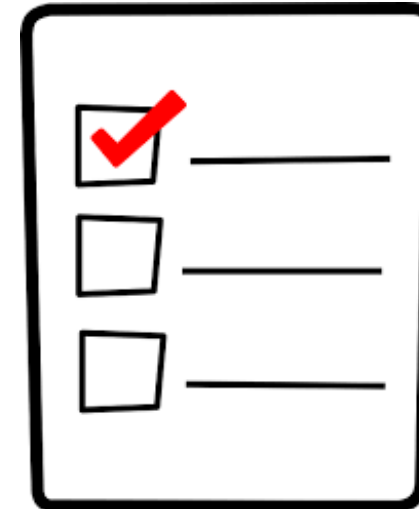
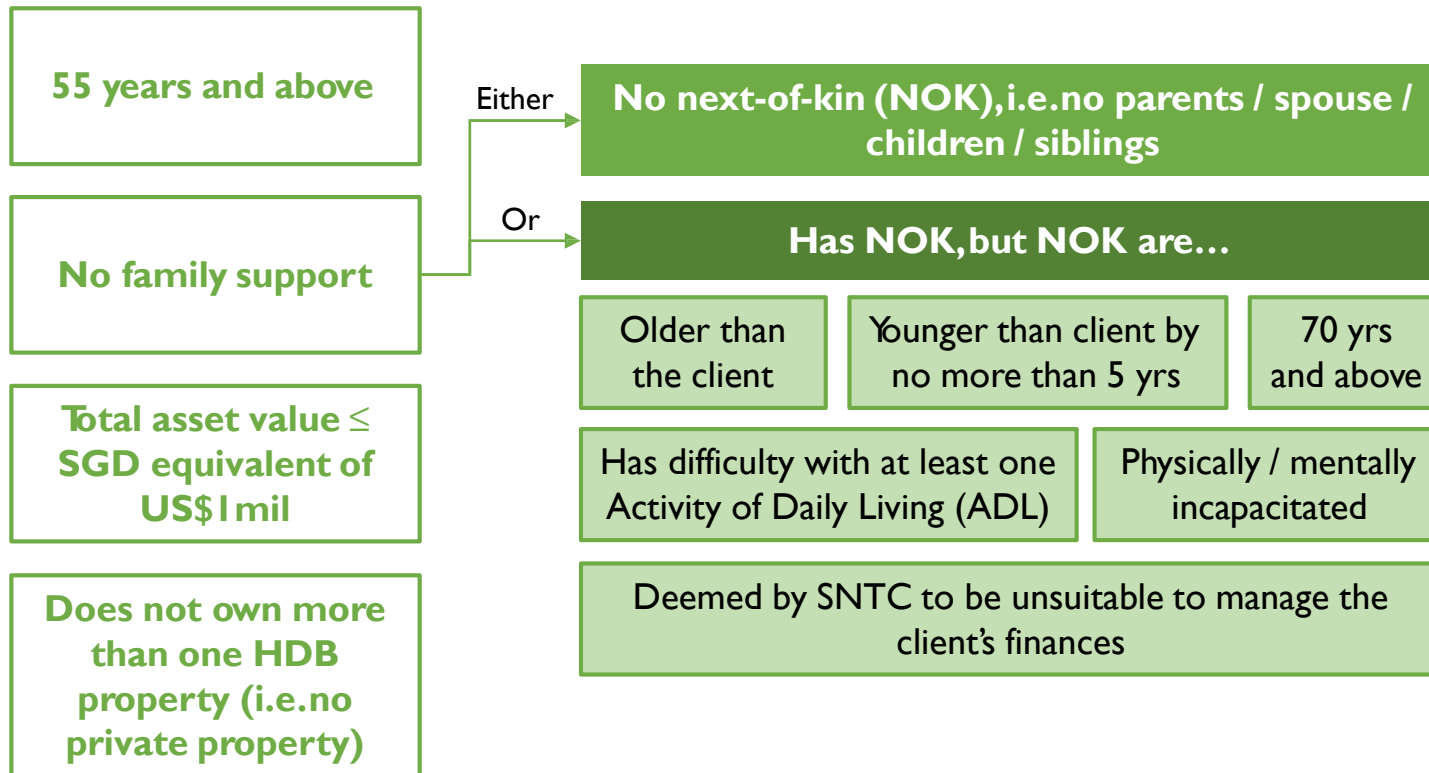
Preparation for Trust Setup

Trust Setup & Operation

Trust Termination

Stage #1: Initial Assessment

- Does the potential client qualify for the pre-planning cum trust service?
- Eligibility criteria:



3. SNTC's Pre-Planning cum Trust Service

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Stage #2: Care Planning

- What are the client's care needs & preferences, in the event he loses mental capacity? E.g. medical treatment, preferred living arrangement, desired social activities
- How does the client intend to finance his future care? In other words, what assets should come into the trust in future, to meet these expenses?
- Does the client prefer to: (i) make an LPA and appoint a professional donee now; or (ii) list down his preferred professional deputy in case he needs one in future?

S/N	Main Expenses	Client's Preferences (in the event of mental incapacity)	Monthly Amount	Total
1) Daily Living Needs				
1.1	Transport	Attend church every Wednesday	50	\$50
1.2	Food		100	\$100
1.3	Nutritional Supplements (milk feeds, vitamins etc)		100	\$100
1.4	Handphone Subscription/card		20	\$20
1.5	Personal Grooming (Clothes/Toiletries/Haircut)		20	\$20
1.6	Pocket Allowance	Play cards with friends 3 times a week	20	\$20
1.7	Others			\$0
	Subtotal:			\$310
2) Accommodation				
2.1	HDB/Private Housing Loan/Rental fee			\$0
2.2	Utility expenses		100	\$100
2.3	Conservancy/Maintenance		60	\$60
2.4	Property tax			\$0

Monthly amount is used to calculate the yearly amount, and yearly amount is projected based on assumptions on how long the person will live with mental incapacity

Computation of total sums			
Components	No. of Yrs	Amount	
Provision required for community living:	10	\$109,297	
Provision required for institutional living:	15	\$867,926	
(Add: SNTC fees)	N.A.	\$1,500	
(Add: Professional deputyship fees)	N.A.	\$8,000	
(Add: Funeral expenses)	N.A.	\$6,000	
Total provision required for mental incapacity:	25	\$992,723	
<i>If trust has been set up:</i>			
Date of trust setup:	DD	MM	YYYY
Amount currently in trust account:	\$0.00		
Computation of provisions based on inflationary rate of:			2.58%*
* Inflationary rate is based on inflation rates for the 10 past years and will be adjusted accordingly at a			

Client's care needs & preferences

3. SNTC's Pre-Planning cum Trust Service

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Stage #2: Care Planning (continued)

S/N	Client's Assets	Description	Estimated Value (as of this review yr)	Client's Intentions	Remarks
1) Cash savings					
	POSB	A/C: 123-456-789, solely owned by client	\$40,000		
		Subtotal set aside for client's care:	\$40,000		
2) Insurance					
	Life insurance	Great Eastern Life Policy, No.: L2323559, payable upon death of client	\$100,000	Only payable upon client's demise	Not relevant for care plan
	Disability insurance	AVIVA Policy, No: D12483598, payable upon development of total permanent disability	\$100,000	Payable to client upon development of total permanent disability (i.e. mental incapacity). All monies to be used for client's care	
		Subtotal set aside for client's care:	\$100,000		Calculate based on assumptions of when client loses mental capacity & life expectancy
3) Property					
	HDB flat	49 Lengkok Bahru Road, #04-135, 4-room flat, solely owned	\$500,000	Professional deputy to liquidate when client no longer able to stay there, to be used for client's care.	
		Subtotal set aside for client's care:	\$500,000		
		Total estimated value that can be used to finance client's Care Plan:	\$640,000		

Client's intentions on how to finance his future care are recorded

Client Acknowledgment

EITHER

OPTION 1: Professional Donees

1 I have made a Lasting Power of Attorney (LPA) appointing ___[full name of donee]___ of NRIC No. / Company Reg. No. ___ as my donee. A copy of the LPA is attached.

2 I undertake to provide SNTC with the latest copy of my LPA.

3 SNTC is to engage my donee in the event I lose mental capacity to make decisions on my own.

4 In engaging my donee, SNTC shall inform my donee about my Care Plan, so that my donee can take my wishes and preferences into account when making decisions on my behalf as authorised under the LPA.

5 I acknowledge that SNTC is not to be held responsible for ensuring that my donee sets up a trust for my benefit with SNTC, as SNTC does not have supervisory powers over my donee.

OR

OPTION 2: Professional Deputies

1 I acknowledge that SNTC might need to engage a professional deputy for me in the event I lose mental capacity to make decisions on my own. The list of my preferred professional deputies, in order of preference, are as follows:

S/N	Name of Professional Deputy	OPG Registration No.	Powers?		
			Personal Welfare (PW)	Property & Affairs (PA)	Both PW & PA

Client's professional donee or preferred professional deputy will also be recorded in the Care Plan

3. SNTC's Pre-Planning cum Trust Service

Stage #3: Subscription

- If the potential client meets the eligibility criteria and has done his Care Plan, he proceeds to sign the Service Agreement.



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Stage #4: Review

- Objectives of each review –
 - Check client's eligibility
 - Update client's Care Plan (if there are changes)
 - Check on client's well-being through home visits
 - Refer client to other social services if necessary
 - Provide information on financial matters (e.g. on GIRO, on HDB sale process, estate planning, etc.) → to help clients make informed choices about managing their assets presently and in preparation for the future
- Frequency of review – depends on client's risk level
- In addition – SNTC to establish contact with other health & social service agencies currently serving the client → so that they can alert SNTC if they discover that the client has lost mental capacity



3. SNTC's Pre-Planning cum Trust Service

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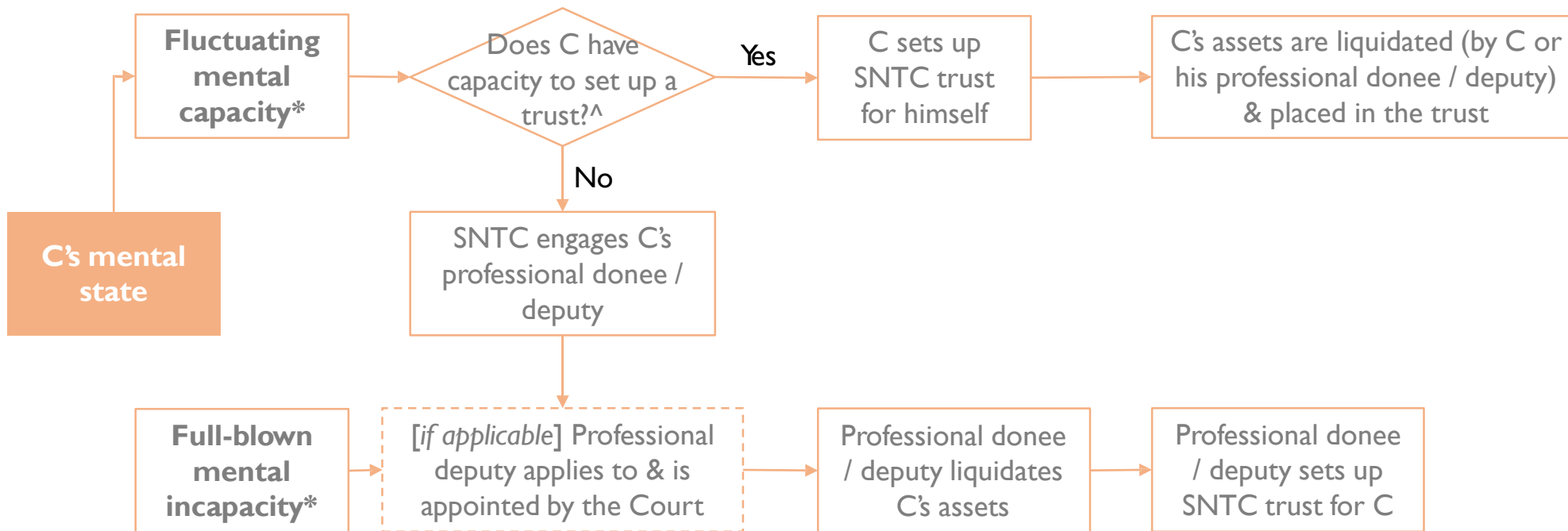
Preparation for Trust Setup

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Stage #5: Preparation for Trust Setup

- Client (C) is diagnosed with mental incapacity or fluctuating capacity (e.g. early dementia)



* SNTC will be informed by the client's health / social service providers.

^ SNTC will require a doctor's assessment and report to prove that this is truly the case.

3. SNTC's Pre-Planning cum Trust Service

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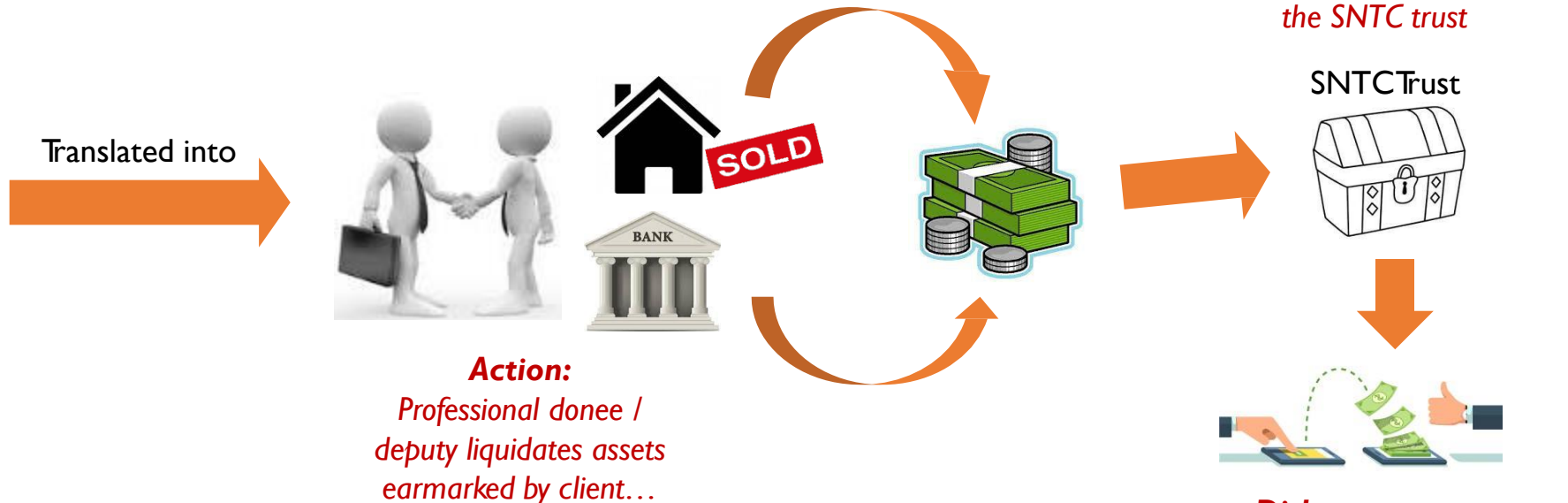
Trust Setup & Operation

Trust Termination

Stage #6: Trust Setup & Operation

- After the trust is set up, SNTC works with the client (if he still has mental capacity) or his professional donee / deputy to ensure that all the assets earmarked for the trust by the client are liquidated and parked in the trust.
- SNTC administers the trust fund according to the client's Care Plan.

S/N	Client's Assets	Description	Estimated Value (as of this review yr)	Client's Intentions	Remarks
11	Cash savings	AC 123-456-789, solely owned by client	\$40,000		
		Subtotal net assets for client's care	\$40,000		
20	Insurance	Great Eastern Life Policy No. 1232000, payable upon death of client	\$100,000	Only payable upon client's death	Not relevant for care plan
		ANVA Policy No. 012000000, payable upon development of total permanent disability	\$100,000	Payable to client upon development of total permanent disability & a mental incapacity. All monies to be used for client's care	
		Subtotal net assets for client's care	\$100,000		Calculate based on assumptions of when client loses mental capacity & life expectancy
30	Property	48 Langkiah Bahru Road, #04-130, 4-room flat, solely owned	\$600,000	Professional deputy to liquidate when client no longer able to own these	To be used for client's care
		Subtotal net assets for client's care	\$600,000		
		Total estimated value that can be used to finance client's Care Plan	\$640,000		



Care Plan:
Client's intentions on how to finance his care

Disbursement:
SNTC administers the trust funds according to the client's Care Plan

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Stage #7: Trust Termination

- The trust will be terminated when:
 - i. the trust fund runs out; or
 - ii. the client passes on.
- If there is balance remaining in the trust fund, they will be distributed to Residual Beneficiaries, i.e. persons named by the client to receive the balance after his demise.
- The Residual Beneficiaries will be named in a Schedule attached to the Service Agreement.



Thank You
