



# Directed Trusts: Why Use One?



A trust can be an important step toward fulfilling your family's financial goals. There are specific advantages to having a trust: continuity of asset management, privacy, tax savings, and more. With the repeal of the rule prohibiting perpetual trusts, often the terms of the trust live on long after the death of the grantor. It's impossible to control changes in a family's life or the tax law, but a trust grantor can choose a trustee that responds to these changes.

Historically there were only three trustee options: an individual family member or friend or the local bank's trust department. Each choice had drawbacks.

## The Modern Choice

An independent trust company gives families new choices because it doesn't offer multiple products and services like a bank. It does one thing: act as trustee. This focused mission is made possible by partnering with the family's independent registered investment advisor, attorney, accountant, and other professionals.

## The Directed Trust

Instead of one party making all the decisions, a directed trust separates investment management and trust administration. The trustee performs all important functions necessary to carry out the terms of the governing trust agreement but refrains from commenting on the investments. The family investment advisor firm is appointed as the Trust Investment Advisor and is given the power to direct the trustee as to trust assets. The result is a directed trust.

## Why People Choose Directed Trusts

- Professional administration by a single mission, regulated trust company
- Keep the family's trusted investment manager
- Continuity of investment philosophy and selection
- Ability to hold complex and closely held assets in a trust
- Same or less cost than the national bank model

## Partner with us:

[www.naviterwealth.com](http://www.naviterwealth.com) | [team@naviterwealth.com](mailto:team@naviterwealth.com) | 501.333.9800

Naviter Wealth, a Trust Representative Office of National Advisors Trust Company (NATC) and National Advisors Trust of South Dakota, Inc. (NATSD), doing business as Naviter Trust.