

STEP CERTIFICATE FOR FINANCIAL SERVICES - TRUSTS AND ESTATE PLANNING, SINGAPORE

Syllabus

INTRODUCTION

This document contains the detailed syllabus for the STEP Certificate for Financial Services – Trusts and Estate Planning, Singapore.

This syllabus should be read in conjunction with the course brochure, which explains the method of delivery and assessment, entry requirements and personal and business benefits of completing the programme.

The brochure, course dates and enrolment application form can also be found on the programme website www.clint.com/course/stepcertfinancialservicesg.

MODULE 1: ASPECTS OF PERSONAL LAW

This module covers:

- Law that deals with matters pertaining to a person and his or her family
- Assets, Property Ownership and Transfers
- Ownership and capacity
- Bankruptcy
- Minors
- Marriage, Divorce and Succession
- The basic rules of residence and domicile

By the end of this module you should be able to:

- Evaluate the impact of these rules on the financial and estate planning advice appropriate for a client
- Explain how assets may be held, including joint tenancies and tenancies-in-common and how various types of assets are transferred
- Explain capacity issues and the capacity of minors to contract and own assets
- Explain how bankruptcy is applicable to the client's circumstances
- Describe the principle laws relating to marriage, divorce and succession and the impact on the client's property affairs
- Describe the basic rules of residence and domicile and the impact on personal taxation

MODULE 2: INTESTATE SUCCESSION AND WILLS

This module covers:

- The destination of a client's estate under the intestate succession rules of Singapore law
- The risks to clients of not writing a Will
- The salient features of a Will
- The law, formalities and general principles of Will making
- Reasons for making a Will
- Dealing with foreign domicile and property

By the end of this module you should be able to:

- Describe the destination of a client's estate under the intestate succession rules of Singapore law
- Explain the terminology used in estate planning
- Describe the salient features of Wills
- Describe the general principles of Will making
- Explain how clients of foreign domicile should deal with their property

MODULE 3: PROBATE AND LETTERS OF ADMINISTRATION AND OTHER ANCILLARIES

This module covers:

- The legal processes involved in probate and administration
- The role of executors and administrators
- Trust companies as executors and administrators
- Dealing with the deceased's joint properties, accounts with financial institutions, the CDP (Central Depository) and CPF (Central Provident Funds)
- Dealing with insurance claims on policies taken up on the deceased's life

By the end of this module you should be able to:

- Explain the role and responsibilities of executorship and the administration of estates
- Explain the benefits of using Trust Companies as executors and administrators
- Explain the procedures and documentation involved in probate and administration and in dealing with the property and affairs of the deceased

MODULE 4: TRUSTS – AN INTRODUCTION AND CLASSIFICATION

This module covers:

- The valid creation of a trust
- How a trust differs from other wealth holding vehicles
- Why trusts are used and their benefits
- The classifications of trusts (i.e. interest in possession and discretionary trusts)
- The different types of trust interest which a beneficiary can have
- Glossary of terms with definitions of types of trust

By the end of this module you should be able to:

- Describe why a trust may be useful for a client in a particular scenario
- Understand and describe the main elements required to create a valid trust
- Understand the legal rules governing perpetuity periods and accumulations
- Describe how the terms of the Trustees Act (Cap 337) assist the trustees in relation to their powers over income or capital
- Contrast a trust with other structures, namely a company and a contract
- Describe the different ways in which trusts can be grouped/classified
- Describe the definitions of various terms used to describe trusts
- Describe the different types of trust interest a beneficiary may have
- Define the terms referred to in the Glossary

MODULE 5: REGULATION OF SINGAPORE TRUSTS

This module covers:

- The Singapore Trustees Act
- The Trust Companies Act
- The set-up and structure of a Singapore trust
- The Singapore Private Trust Company

By the end of this module you should be able to:

- Describe the benefits of setting up a Singapore trust and the features, such as the validity of trusts in forced heirship situations
- Demonstrate an understanding of the trust business licensing regime and the exemption regulations concerning financial intermediaries
- Describe the application of the Private Trust Company as an alternative trust structure

MODULE 6: WILL TRUSTS AND DECLARATIONS OF TRUSTS

This module covers:

- How a trust is created in a Will
- Benefits of using trusts in a Will
- The differences between the use of living trusts and Will trusts
- Making Declarations of Trusts

By the end of this module you should be able to:

- Describe the benefits of using a trust in a Will
- Evaluate the circumstances where living trusts might be more appropriate than Will trusts
- Understand the issues concerning the use of Declarations of Trust by clients where assets already owned by them are made the subject of a trust

MODULE 7: MUSLIM INHERITANCE AND ESTATES IN SINGAPORE

This module covers:

- The principles of the *Faraid*
- The Administration of Muslim Law Act (“AMLA”)
- Provisions of the AMLA governing Muslim Inheritance and Estates
- Estate Planning and tools for the Muslim person

By the end of this module you should be able to:

- Describe the general principles that govern Muslim estates
- Describe some of the features of the tools that are applicable for the Muslim person
- Understand the features of the Administration of Muslim Law Act (Cap.5)
- Understand the concept of *Faraid* and its limitations in Muslim intestacies.

MODULE 8: TRUSTS USED IN FINANCIAL SERVICES PART 1

This module covers:

- The operation, benefits and risk factors in using a trust with life insurance policies
- The Statutory Trust and Revocable Nominations under the Insurance Act
- Insurable interests in the context of trusts

By the end of this module you should be able to:

- Identify the most suitable type of trust to use with a client’s insurance policy
- Describe the operation, benefits and risk factors in using various types of trusts with various types of insurance policy including universal life policies

MODULE 9: TRUSTS USED IN FINANCIAL SERVICES PART 2

This module covers:

- The operation, benefits and risk factors in using a trust in business buy sell arrangements
- The operation, benefits and risk factors in using a trust in holding investments accounts

By the end of this module you should be able to:

- Discuss how trusts can be used in business protection arrangements
- Describe the operation, benefits and risk factors in using trusts in holding investments accounts and using underlying companies

MODULE 10: THE TAXATION OF TRUSTS

This module covers:

- Taxation of trusts in Singapore

By the end of this module you should be able to:

- Describe the income tax treatment of trusts in Singapore vis a vis the settlors, trustees and beneficiaries
- Describe the requirements for the Singapore QFT (Qualifying Foreign Trust) and the LAT (Locally Administered Trust) and the tax consequences for these structures

MODULE 11: TRUSTEE DUTIES

This module covers:

- The general duties of a trustee
- Trustee obligations under the Trustees Act (Cap. 337)
- Trustee investment issues
- Recognising when a trustee might be in breach of trust

By the end of this module you should be able to:

- Outline the general and statutory duties of a trustee in Singapore
- Understand the circumstances in which a trustee might be in breach of a trust
- Identify when an Investment Policy Statement is required under Singapore law
- Describe the powers of trustees in relation to the use of nominees and the use of discretionary investment managers under Singapore law

MODULE 12: THE INCAPACITATED CLIENT

This module covers:

- The lasting power of attorney in Singapore
- How an incapacitated client's affairs are dealt with in the absence of an effective power of attorney in Singapore and the appointment of Deputies

By the end of this module you should be able to:

- Describe the common abbreviations and terminology associated with this area of law
- Understand why clients might wish to have an LPA
- Describe the types of decisions that can be made by a Personal Welfare Donee
- Describe the types of decisions that can be made by a Property & Affairs Donee
- Describe the scope a donee has to make gifts
- Understand what action may be required to deal with a client's affairs in the event of them losing mental capacity without a suitable LPA being in place

MODULE 13: THE PHILANTHROPIC CLIENT

This module covers:

- The regulatory framework for charities in Singapore
- The types of charitable body which exist
- The tax reliefs available to a client making charitable gifts
- Investment and tax issues affecting charity clients

By the end of this module you should be able to:

- Describe the tax regime which applies to charities
- Describe the regulatory framework for charities in Singapore
- Compare and contrast the different types of charitable body which can exist

CONTACT US

For full details of the programme visit:

www.cltint.com/stepcertfinancialservicessg

If you have any queries please contact us:

Email: cltinternational@centlaw.com

Phone: +44 (0) 121 362 7733

CLT International

Wrens Court | 52-54 Victoria Road | Sutton Coldfield

Birmingham | B72 1SX | United Kingdom