

STEP PROFESSIONAL  
POSTGRADUATE DIPLOMA IN  
PRIVATE WEALTH ADVISING

Syllabus



# INTRODUCTION

This document contains the detailed syllabus for the STEP Professional Postgraduate Diploma in Private Wealth Advising (PPGD).

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 be found on the programme website [www.cltint.com/course/step-ppgd](http://www.cltint.com/course/step-ppgd)

**The STEP Professional Postgraduate Diploma in Private Wealth Advising (PPgD) is a level 7 certificated qualification designed specifically for senior industry practitioners and experienced TEPs.**

## The Masterclass Specialisms

### MASTERCLASS 1 – STRATEGIC RISK MANAGEMENT FOR LEADERS

**Unit 1 covers:**

- The interrelationship between risks
- Implementing an integrated risk strategy at corporate level
- Strategic capabilities for managing risks
- A comparative study of enterprise-wide risk management with risk management (ERM) and compliance (GRC) solutions
- Factors involved in decision making
- The impact of short and long-term risk horizons in everyday activities within firms

**Unit 2 covers:**

- Introduces the role of risk management
- Strategies for shaping and aligning the consequential risks faced by organisations from the perspective of clients, business participants (i.e. shareholders) and regulators
- The centrality of strategic risk management in stabilising firms and their resilience to risk
- Risk governance
- An analysis of risk appetite to provide a framework for taking risks at all levels of firms
- The reporting of risks in qualitative and quantitative terms

**Unit 3 covers:**

- The indicators and policies of macro prudential risks and their regulation
- The micro prudential regulation of individual firms where the firm considers taking excessive financial risks
- Key drivers of risk
- The interrelationship between internal and external drivers that impact upon financial services firms

**By the end of this Masterclass you should be able to:**

- Formulate a strategic GRC framework for your firm, division, department or practice area.
- Evaluate risk and examine the scope of de-risking within the wealth advisor sector at macro and micro levels.
- Provide a detailed analysis of the strategic risks within the organisation chart provided with your application for this PPgD programme.
- Explicate your firm's appetite for risk.
- Appraise and classify the conduct risks that confront your firm.

## MASTERCLASS 2 – FAMILY BUSINESS ADVISING

### Unit 1 covers:

- The definition of family business
- The '3 Circles Model' used to identify the range of self-interests inherent in a family business system
- The normality of conflicts of interests for the resources of a family business
- Taking a holistic view of the complexity of family businesses
- Natural governance and answering the question, 'How are things done at this family business?'
- Identifying the key decision makers and the effects of their decisions on other family members

### Unit 2 covers:

- The adaptability of family businesses at times of change
- The application of the '3 Circles Model' to predict the future dynamic of the family business
- Options open to the entrepreneur other than succession by existing members of the family business
- A comparison of conventional corporate governance with that of family businesses

### Unit 3 covers:

- Managing the anxiety of family members in managing their business through the generations
- Survival of real and perceived threats by the family business and its members
- Emotional intelligence from the advisor's perspective
- Likely coping mechanisms that family businesses may adopt to cope with anxiety
- The cautionary use of adversarial conflict resolution procedures

### **By the end of this Masterclass you should be able to:**

- Appraise and evaluate the potential impact of the internal tension unique to family businesses of family members working together for its collective advancement.
- Apply the '3 Circles Model' to categorise the self-interests of family members and explore how the model may be used to demonstrate future succession.
- Evaluate the characteristics of family businesses that have successfully survived multiple generations and apply the findings to first and/or second generation family businesses.
- Exemplify the roles and characteristics that key advisors foster to assist in the coping mechanisms family businesses adopt to cope with instability from internal conflicts and the impairment of the business.

## MASTERCLASS 3 – TRUST DISPUTES

### Unit 1 covers:

- Sham trusts from *Snook v London and West Riding Investment Limited* (1967) to the revelations in the Panama Papers
- Sham trusts and the conflict of laws
- The avoidance of a finding of a sham

### Unit 2 covers:

- Ultra vires investments
- Prudent investments
- Reducing investment risk

### Unit 3 covers:

- Disclosure and the duty to inform beneficiaries
- The proprietary rights of beneficiaries (with fixed interests), remaindermen and default beneficiaries of discretionary trusts
- An analysis of *Schmidt v Rosewood Trust Limited* (2003)
- Disclosure of:
  - Trust accounts
  - Underlying company accounts
  - Letters of wishes
- Factors informing the trustees in not disclosing information
- Disclosure to/from protectors and settlors

### Unit 4 covers:

- The removal of trustees and protectors
- Express powers of replacement and appointment of trustees
- Removal of trustees on the application of beneficiaries
- A trustee's right to indemnity out of the trust property
- The incoming trustee's entitlement to trust information and documentation

**Unit 5 covers:**

- Trusts and divorce
- How courts obtain information about trusts
- Participation of offshore trustees in English proceedings
- Judicial decisions of the family court in divorce proceedings
- Variation of ante-nuptial and post-nuptial settlements
- Pre-nuptial agreements
- Variation of foreign trusts
- Setting aside dispositions
- Recognition and enforcement of orders

**By the end of this Masterclass you should be able to:**

- Appraise a trust through analysis of ex-post facto evidence of how the trust has been, and is, being administered to determine a sham.
- Structure solutions to mitigate trustees' investment risks.
- Demonstrate a thorough understanding of the trustees' duties of disclosure in court proceedings and when beneficiaries invoke their rights to disclose in monitoring trustees critiquing House of Lords decision in *O'Rourke v Darbishire* and the Privy Council's decision in *Schmidt v Rosewood*.
- Account to trustees faced with beneficiaries seeking their removal the circumstances a court may order their removal, their rights or indemnity and explain the information and documentation out-going trustees need to provide to their successors.
- Research and assess the ways in which assets of a trust can be 'accessed' in ancillary relief proceedings following divorce, including judicious encouragement that is applied on trustees when trust assets are considered a resource and the quasi-inquisitorial powers of the courts to establish parties' financial affairs.



## MASTERCLASS 4 – STRATEGIC PHILANTHROPY

### Unit 1 covers:

- Answering the question, ‘What is philanthropy?’
- Raising the subject of philanthropy with clients
- Global trends in philanthropy

### Unit 2 covers:

- Strategic philanthropy
- Developing a focus for philanthropy

### Unit 3 covers:

- Appropriate vehicles for philanthropy
- Approaches to grant making
- Family philanthropy

### By the end of this Masterclass you should be able to:

- Demonstrate mastery of the knowledge and skills required as a philanthropy advisor.
- Critically evaluate the importance of good governance and effective practice.
- Critically review the tax reliefs available to a client making charitable gifts and illustrate the most tax efficient ways of achieving a client’s philanthropic goals.
- Provide a detailed analysis of current trends in philanthropic giving.

## MASTERCLASS 5 – CROSS-BORDER SUCCESSION

### Unit 1 covers:

- The preliminary issues relating to cross-border estates and an exploration of the factors to be consider when dealing with cross-border estate succession
- The difficulties in resolving conflicts between different private international law (PIL) systems

### Unit 2 covers:

- The key differences between systems of succession law in a variety of legal systems;
- A comparison of the principles of some typical common law, civil law and Sharia law systems of succession;
- The principles of private international law rules in matters of succession and the administration of estates

### Unit 3 covers:

- The formal, substantive and material validity of wills
- EU Regulation 650/2015
- The European Certificate of Succession (ECS)
- The practical implications of the Regulation
- Other relevant multilateral conventions

### Unit 4 covers:

- How advisers can find their way through the maze of cross-border succession planning
- Succession planning techniques and practical points

### By the end of this Masterclass you should be able to:

- Differentiate between the succession laws of a common law system with that of a civil law system and that of a system based on religious laws.
- Identify and apply the basic principles of private international law rules in matters of succession and the administration of estates.
- Critically review the succession issues arising on the death of an individual with a multi-jurisdictional estate.
- Formulate and advise on succession planning techniques.

## MASTERCLASS 6 – INTERNATIONAL TAXATION

### Unit 1 covers:

- The difficulty of fiscal arbitrage where an individual is treated as fiscally resident in more than one jurisdiction
- The concept of fiscal residence and domicile
- Creation of offshore structures
- Cross-border information sharing

### Unit 2 covers:

- Fiscal residence and double tax treaties (applying to income and capital gains)
- The difficulties arising as a result of the choice of governing law contained in a trust instrument

### Unit 3 covers:

- The application of double tax treaties dealing with capital taxes (estate taxes/death duties/inheritance tax)
- Residence, domicile and the interaction between civil and common law jurisdictions double tax treaties

### By the end of this Masterclass you should be able to:

- When faced with a multi-national individual/family, advise on the anomalies that may arise as a result of treaty-specific definitions of “residence” and “domicile”.
- Demonstrate the extent to which having a particular tax structure may allow or enable the creation of effective offshore structures.
- Illustrate the relevance of domicile status in the context of testamentary dispositions.
- Explain the limited extent to which double taxation treaties may have effect for estate tax purposes.

## MASTERCLASS 7 – DIGITAL ASSETS

### Unit 1 covers:

- Definitions of digital assets
- The concept of property
- Pure information
- Statutory application to digital information
- Crypto-assets as property

### Unit 2 covers:

- The administrative duties of fiduciaries – the personal representative, the trustee and the attorney - in relation to digital assets
- Discovery of digital assets
- Security of digital assets
- Cloud computing, the contracts involved and accessing the device of the deceased
- Administration of crypto-assets and transactions

### Unit 3 covers:

- Estate planning where digital assets are involved
- Establishing whether the estate includes any digital assets
- Writing an inventory
- Planning for death
- Drafting examples
- Planning for incapacity
- An overview of the taxation of digital assets

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

- Explore competing definitions of digital assets, evaluating what is most compatible with English law, distinguishing between proprietary and non-proprietary rights associated with transmitted information
- Examine a variety of different national legislation in relation to English law, evaluating the potential impact that they have in determining proprietary rights where claims for such assets engage with a number of jurisdictions
- Express how to administer the fiduciary duties and obligations associated with digital assets highlighting issues or risks associated with their administration
- Evaluate procedural and contractual issues that may arise, which relates to the security of digital assets including information held on cloud-based systems
- Discuss how to include digital assets in estate planning for eventualities such as incapacity or death
- Design mechanisms for discovery of digital assets, including crypto-assets, that facilitate accurate recording of access, security and storage of relevant information.

## MASTERCLASS 8 – COMPLIANCE FOR TRUSTEES

### Unit 1 covers:

- Effective compliance function applying a compliance framework
- Trustees assessment of risk
- De-risking strategies
- Scope of trustee compliance
  - Aligning powers with duties
  - Determining mandatory or discretionary powers
  - Safeguarding trust assets
  - Avoiding conflicts of interest
  - Mitigating financial crime risks
  - Regulation of trustees, codes of conduct and practice

### Unit 2 covers:

- The strategic discipline of compliance
- Policies and procedures to combat financial crime
  - International measures for combating money laundering and terrorist financing
  - Policy statements
  - Managing and mitigating risks
  - Establishing due diligence measures
  - Compliance monitoring and management
  - The responsibilities of the compliance officer
  - The roles of the money laundering reporting officer
  - The fundamental changes of the EU Fourth Money Laundering Directive
- Compliance standards and best practice

**Unit 3 covers:**

- Reporting suspicious transactions
- Reigning in tax evasion
- US Qualified Intermediary Rules, FATCA and AWOI reporting
- The disclosure of beneficial ownership for trusts
- Bribery and corruption

**By the end of this Masterclass you should be able to:**

- Construct a risk matrix for trustees that categorises risk level, the control of risks and action points to monitor and identify risk, on a defined periodic basis.
- Recommend, at leadership levels of knowledge, measures to combat money laundering and terrorist financing and how they pervade the wealth advising sector when advising trustees.
- Discuss the specifics of trustees' obligations for disclosure and reporting of criminal activities and suspicious transactions.
- Provide a detailed analysis of the reporting obligations under FATCA and CRS.

## Assessment and outcomes

### **The assessment for this course consists of:**

Eight 1,000 – 1,500 word masterclass commentaries that form a reflective journal: these are summaries of the key learning points outlined in the masterclasses and their impact on your own practice.

A three-hour, face-to-face interview based on your chosen area of specialism.

The masterclasses are delivered by specialists in their chosen fields, who will consider complex themes and their application in practice. Through a mixture of pre-reading of the course manuals and independent research delegates will be prepared to demonstrate a high-level knowledge of the subject matter being considered in each of the eight masterclasses in a systematic manner.

Given the international focus of the course content, delegates are likely to be challenged with novel concepts. Delegates will be able to demonstrate within their masterclass commentaries the application of such concepts as they apply in their own jurisdiction or practice critically evaluating the techniques and models propounded by the speakers.

### **A candidate who passes the face-to-face assessment will have shown:**

- originality in the application of the constructs of the eight specialisms
- advanced levels of research and reflective personal analysis
- the transfer of consolidated knowledge in an advisory manner to clients or to colleagues where delivery of advising on wealth is through teams of advisors
- discernible benefits to their practice either through mitigation of professional/practice risk or the identification of previously unconsidered business opportunities
- mastery of his/her practice area
- methodological approaches to decision-making and their advancement in leadership
- a deep and systematic understanding of the many facets of wealth advising and their influence on wealth creation, investment and preservation



# CONTACT US

**For full details of the programme visit:**

[www.cltint.com/course/step-ppgd](http://www.cltint.com/course/step-ppgd)

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