

The Ardan Portfolio

Beneficiary Trust - solving the problem of international probate

Most internationally mobile individuals, who have been working in various jurisdictions across their career, may have accumulated a number of different financial products in those locations out of sheer circumstance.

When investments are held across a number of jurisdictions, managing and maintaining those investments can be difficult especially due to multiple time zones and various client portals to monitor.

If we look far into the future, holding assets in this way can result in a lot of stress for family members in the event of the death of the owner of the investments. In this situation, the executor of the estate will be required to make a number of different probate applications in each jurisdiction where any investments are held. The requirement for obtaining probate in each of those jurisdictions will delay the distribution of the estate to the beneficiaries at an already difficult time and may result in a number of other potential issues, such as:

- 01 Wills may not be recognised in some jurisdictions
- 02 Different interpretations of spouse/child may hinder the distribution of assets
- 03 Forced heirship in some jurisdictions prohibit assets being distributed
- 04 Different laws apply in each jurisdiction
- 05 Appointed agents in each jurisdiction may be required
- 06 Multiple wills may be required – one for each jurisdiction

This could be an extremely difficult, costly and time-consuming process for the executor and the estate.

By transferring those assets into an Ardan portfolio, a client could limit the administrative burden to managing just one portfolio in one jurisdiction.



The Ardan wealth platform can be held within a Beneficiary Trust structure, which could avoid an application for Isle of Man probate, therefore allowing the trustees to distribute the trust fund to the beneficiaries without any unnecessary delays.

Read on to understand how Ardan and the free Beneficiary Trust can help reduce administration and costs for an individual's estate, making things simpler for their loved-ones.

What is Isle of Man Probate?

Isle of Man Probate is a legal document granted and administered by the General Registry within the Isle of Man Courts of Justice. It identifies who is permitted to give instructions to an Isle of Man institution in respect of Isle of Man assets following the death of the owner.

When is Isle of Man Probate required?

As assets held within an Ardan portfolio account are held in the name of an Isle of Man company (Ardan Nominees Limited), Isle of Man Probate would be required should the account holder die and any of the portfolio accounts have not been written into a trust.

How long does the application process take?

The process of applying for Isle of Man Probate can take many weeks or months depending upon the estate making the application. The cost to file a claim with the Court will vary depending on the gross value of any Isle of Man held assets.

Where the portfolio account(s) is/are the only Isle of Man asset, the fees will vary from GBP31.50 where the value does not exceed GBP10,000, up to GBP9,422.50 where the portfolio account value exceeds GBP1,000,000.

Do I need Isle of Man Probate if the portfolio account is held in trust?

When a trust is used, the Trustees are the legal owner of the portfolio account. The Trustees as the legal owners can continue to provide instructions to sell the underlying holding and distribute funds to a beneficiary, or transfer the ownership of the assets into a portfolio account in the name of the beneficiary.

The trust avoids the requirement for an application for Isle of Man Probate.

What trusts are available for use?

The Beneficiary Trust Nomination is a draft trust deed that is available for use with the Ardan portfolio account. This is a discretionary trust that allows the account holder to select Named Beneficiaries as well as Contingent Named Beneficiaries if required.

There is no cost to the account holder for using the draft Beneficiary Trust Nomination.



How does the Beneficiary Trust Nomination help?

The Beneficiary Trust Nomination is a simple trust structure. The account holder appoints Trustees to be the owner of the portfolio account and receive all portfolio account benefits following the death of the last surviving account holder. With a Beneficiary Trust Nomination, Ardan International Limited will:

- Accept instructions from the Trustee(s) in respect of the portfolio account as if they were the original owner; and
- Pay any/all portfolio account value or benefits to the Trustee(s)

As the trust is only created following the death of the last surviving account holder, the account holder remains in complete control of the portfolio account during their lifetime. This allows them to make amendments to, or withdraw funds from, the portfolio account without seeking any authority from the Trustee(s).

IMPORTANT NOTES

For financial advisers only. Not to be distributed to, nor relied on by retail clients.

The information contained within this document is based on our understanding of Isle of Man legislation, law and practice as at April 2024. Whilst every care has been taken, we cannot accept responsibility for its interpretation or any subsequent changes.



If you have any questions about the Ardan wealth platform, please contact sales@ardan-international.com or call +44 (0)1624 638800.