

# Trends and Outlook for Private Trust Companies

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- Strong growth in the number of families forming or considering PTCs
- Trends:
  - More wealth transfer
  - More trusts
  - More complexity
  - Next generation's interest in trust administration

# Common Reasons to Form a PTC

- Seeking a long-term family governance solution and succession planning
  - Replacement of long-time trusted advisor(s) serving as trustee due to retirement
  - Current corporate trustee relationship not working (cost, turnover, inflexibility)
  - Individual family members not suitable or willing to serve—don't want to fractionalize
- Broaden family participation in wealth management
- Increased communication and interaction with trust beneficiaries
- Trustee latitude and flexibility
- Liability protection for individuals who will be making distribution and investment decisions on behalf of the PTC
- Provide unique/customized services that are not practical or profitable for a corporate trustee
- Leverage family office infrastructure and reduce overall fiduciary costs
- Trusts with specific trust purposes (e.g., retaining family-owned business , other unique assets)
- Minimize taxes
- Minimize regulatory burdens

# Initial Considerations

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- Regulated vs. Unregulated
- Comparing jurisdictions