



## OLD NORTH STATE TRUST, LLC

### The Trust Company Enigma (What does a Trust Company Do?)

Old North State Trust, LLC is a full service trust company licensed by the North Carolina Commissioner of Banks. Our trust company is comprised of career professionals specializing in various aspects of investment management, financial planning, and the administration of trust accounts. We offer our clients custom *solutions* to meet their needs while providing impartiality, constant availability, experience, skill, and confidentiality. Our charge is to conserve, manage, and grow the wealth of our trust clients. As a fiduciary, one to whom property or power is entrusted for the benefit of another, we serve in numerous capacities. Among the most common account relationships through which we manage the assets of our clients (and some duties associated with each) include:

1. **Investment Management Accounts:** We analyze existing financial holdings, define objectives, and compile an investment plan for our clients that will achieve their objectives over the short and long term.
  - a. Professional asset management that includes asset allocation guidance, tax considerations, and life cycle issues
  - b. Team of professionals assigned to meeting client's objectives that include a relationship officer, a portfolio manager, and a crew of support specialists that provide asset control and tax expertise
  - c. Recordkeeping simplification for tax reporting purposes and cost basis information
  - d. Investment return analysis and reporting
  - e. Outsourcing of real estate management when needed
  
2. **Living Trust Accounts:** Provides for professional asset management and additional services such as:
  - a. Bill paying, including household, medical, and personal expenses
  - b. Asset management continuation in case of incapacity
  - c. Privacy
  - d. Estate planning/tax avoidance
  - e. Probate cost savings
  - f. Expedition of asset distribution at death
  - g. Recordkeeping simplification for tax purposes
  
3. **Trusts under Will:** Established by the terms of a will and funded with assets from the estate.
  - a. Professional management of assets after death
  - b. Can be designed to meet special family needs, such as a minor or handicapped individual

- c. Spendthrift trust arrangements for children or others
  - d. Possible tax avoidance
  - e. Recordkeeping simplification for tax purposes
  - f. Possible generation-skipping benefits
4. **Charitable Trusts:** Benefits a qualifying charity but not necessarily with an immediate unrestricted lump sum amount. Can provide the charity either an income interest or the balance remaining in the trust after a non-charitable beneficiary has received income for a specified time period.
- a. Tax benefits to grantor
  - b. Potential for generation of greater income stream to grantor through gifts of low yielding appreciated property
  - c. Benefits to charity and non-charitable beneficiaries
  - d. Professional asset management
5. **Life Insurance Trusts:** Insurance policies or proceeds fund trust for specific needs to designated beneficiaries:
- a. Sometimes the largest asset at death
  - b. Provides expert investment management of the potential large lump sum cash death benefit payment that can be overwhelming to beneficiaries
  - c. Tax avoidance potential with irrevocable trusts
6. **Estate Settlement Services:** Executor, administrator, agent for fiduciary
- a. Estate planning services offered in conjunction with your attorney
  - b. Professional asset management
  - c. Evaluation of estate claims
  - d. Payment of debts, claims, taxes
  - e. Filing of required Court reports
  - f. Filing of death tax returns if required
  - g. Post mortem planning
  - h. Orderly distribution of assets to beneficiaries
  - i. Impartiality dealing with estate beneficiaries

For all relationships, it is important to Old North State Trust to personally know our customers in order to understand their needs and concerns. We go beyond dealing with just the nuts and bolts of the financial aspects as we desire to be a friend and confidant. Our desire is to provide our customers with solutions to help them improve their quality of life. For more information on ONST's Trust Services, please visit our Trust Services FAQ section on our website, [www.oldnorthstatetrust.com](http://www.oldnorthstatetrust.com).

*Old North State Trust, LLC (ONST) periodically produces publications as a service to clients and friends. The information contained in these publications is intended to provide general information about issues related to trust, investment and estate related topics. Readers should be aware that the facts may vary depending upon individual circumstances. The information contained in these publications is intended solely for informational purposes, is proprietary to ONST and is not guaranteed to be accurate, complete or timely.*