COMMONWEALTH TRUST COMPANY
CTC
Est. 1931

An independent Delaware Trust Company

Moving Your Trust to Delaware

By: Alexander J. Lyden-Horn, B.A., J.D., LL.M.

Having a trust administered in Delaware affords the grantors, fiduciaries and trust beneficiaries many advantages, including state income tax benefits, recognition of directed trusts, confidentiality with regard to trust matters, permissibility of silent trusts, creditor protection, a state decanting statute, perpetual terms for trusts, liberal trust investment rules, nonjudicial settlement agreements, a nationally-recognized court system and a proactive state legislature.[1] There are several methods that can be used to move an existing out-of-state trust to Delaware, the majority of which do not require court proceedings.

Appointing a Delaware Trustee.

Following the recent Peierls[2] decisions, moving a trust to Delaware may be achieved, in some cases, simply by appointing a Delaware trustee. In Peierls, the Delaware Supreme Court made it clear that if a trust instrument allows for the appointment of a successor trustee without geographic limitation, then the situs of the trust will automatically move to Delaware and Delaware law will govern the administration of the trust as soon as a Delaware trustee is appointed and the trust is administered in Delaware. This rule applies even if the trust instrument provides that the law of another state will govern the administration of the trust, unless the trust instrument expressly provides or evidence shows that the grantor intended such state's law to apply even if a successor trustee is appointed in another jurisdiction.

Mergers and Decantings.

Another option to move an out-of-state trust to Delaware involves the creation of a new Delaware trust, into which the out-of-state trust is then merged or decanted. The advantage of a merger or decanting is that it allows the trust to be simultaneously moved to Delaware and modified to incorporate the various advantageous provisions available under Delaware law.

Trust instruments generally include a merger provision authorizing the trustee to merge the trust with a substantially similar trust (created by the same grantor or another party). In the absence of such a provision, a majority of states have statutes authorizing trust mergers.[3]

CONTENTS

Special Interest Articles

[2] IMO: Peierls Family Inter Vivos Trusts, No. 16812 (Del. Oct. 4, 2013); IMO: Ethel F. Peierls Charitable Lead Trust, No. 16811 (Del. Oct. 4, 2013); and IMO: Peierls Family Testamentary Trusts, No. 16810 (Del. Oct. 4, 2013).

[3] For example, Section 417 of the Uniform Trust Code, which has been adopted in 25 states and the District of Columbia, permits a trustee to combine two or more trusts "if the result does not impair rights of any beneficiary or adversely affect achievement of the purposes of the trust." Delaware's statute, on the other hand, permits the trustee of a Delaware trust to merge any two or more existing trusts if such merger would not result in a material change in the beneficial interests of the beneficiaries. 12 Del. C. § 3325(29).

[4] See generally State Decanting Statutes Passed or Proposed, compiled by M. Patricia Culler, available at http://www.actec.org/ public/ Documents/Studies/Culler_Decanting_Statutes_07_01_2013.pdf.

Alexander J. Lyden-Horn, B.A., J.D., LL.M

Alexander J. Lyden-Horn, B.A., J.D., LL.M is the author of the article "Moving Your Trust to Delaware". Alex is Trust Counsel for Commonwealth. His responsibilities include review of new trusts and related structures, review of documents related to Commonwealth's administration of the trusts, participation in trust annual reviews and offering regular assistance to attorneys and clients in setting up Delaware trusts.

Prior to joining Commonwealth, Alex was an associate at two boutique trusts and estates law firms in the Philadelphia area, concentrating on business succession planning, charitable gift planning, estate and tax planning, estate and trust administration, fiduciary litigation, and related fiduciary services.

In law school, Alex served as Managing Editor of the Temple International and Comparative Law Journal. Upon graduation from the LL.M. program, he received the Graduate Tax Award, given to the graduating student with the highest grade point average.

Moving Your Trust to Delaware (Continued)

Trust instruments may also include a decanting provision, that is, a provision authorizing a fiduciary to distribute trust assets to another trust (and to create such a trust if one does not already exist). In the absence of such a provision, which is likely to be the case with older trusts, 20 states have statutes authorizing trust decantings.[4]

Modifying the Trust.

If the terms of the trust instrument do not allow any of the above methods to be used, it might be possible to modify the terms of the trust. Trust instruments may include a provision authorizing a fiduciary to modify the terms of the trust (for either general or limited purposes). In the absence of such a provision, a majority of states have statutes authorizing trust modification by agreement.

Court Proceedings.

Prior to the Peierls decisions, it was common for a Delaware successor trustee to condition its acceptance on obtaining an order from the Delaware Court of Chancery (i) confirming appointment of the Delaware trustee, (ii) accepting jurisdiction over the trust, (iii) confirming that Delaware law governs the administration of the trust and (iv) modifying or reforming the trust. The Peierls decisions effectively put a stop to this practice by stating that 1) the court will not grant relief if the matter could be resolved without court intervention (i.e., if the trustee appointment is permitted under the terms of the trust instrument) and 2) if the acceptance of the Delaware trustee is conditioned upon a court order being obtained, then Delaware law does not yet apply, and the petitioners would be required to brief the trust modification issue under the law of the transferor state.

However, in the unlikely event that none of the above-mentioned nonjudicial options is available, or if the peace of mind offered by a court order is desired, any interested party may petition the appropriate court in the trust's current jurisdiction to approve the transfer to Delaware.

A court order may be particularly important if the parties are seeking to change the situs of the trust for income tax purposes and the trust is currently located in a state that will continue to subject the trust to income tax even after the trust's situs has been moved to another jurisdiction. In that case, it may be necessary to obtain a court order in the trust's current state confirming that, following the transfer of the trust's situs to Delaware, the trust will not be subject to tax in the transferring state.

In addition, if the trust is currently subject to court supervision in the trust's current jurisdiction, then it may be necessary to obtain a court order seeking permission to terminate the trust's accountability to such court prior to moving the trust to Delaware.

Conclusion.

The ideal method for moving a particular trust to Delaware depends on a variety of factors, including the terms of the trust instrument, the law governing the administration of the trust and the parties' overall goals in moving the trust to Delaware. Thus, before an out-of-state trust can take advantage of the many benefits that Delaware has to offer, a close examination of these factors is required.

[1] For a more detailed discussion of these and other Delaware advantages, please see the Commonwealth Trust Company brochure, available at http://www.comtrst.com/brochure/pdf.php?file=commonwealth-brochure.pdf.

[5] See e.g., UTC §§ 111, 411; Cal. Prob. Code § 15404; and 12 Del. C. § 3338.

[6] The court also stated that because it has made it clear when Delaware law will apply to a trust and when the court will accept jurisdiction over the trust, to issue a decision on those matters would also be an impermissible advisory opinion.

[7] See e.g., Md. Tax-General Code Ann. §§10-101(k)(iii) (2013) (Maryland); 72 P.S. §§ 7302(a), 7301(s)(2) (Pennsylvania). But see McNeil v. Commonwealth of Pennsylvania, Pa. Comm. Court, Nos. 651 F.R. 2010, 173 F.R. 2011 (May 24, 2013) (holding that the Pennsylvania law subjecting trusts to income tax based solely upon the residence of the settlor at the time the trust was established violates the Commerce Clause of the United States Constitution).

Thinking "Outside of the Box", Commonwealth Sets the Bar for Personal Trust Relationships

An interview with Mark E. Prowell, MSFS, AIF, AEP

Commonwealth Trust Company ("Commonwealth") is an independent, privately-held boutique trust company providing clients with unparalleled Delaware directed trustee services as part of a highly specialized and responsive team of trust professionals. Our commitment to providing individualized, client-focused administrative trustee services allows clients to have the flexibility of an open architecture while maintaining the same level of continuity in trust administration traditionally provided only by a full service trustee.

Every family is unique; therefore, every trust's administration is unique. Each trust contains its own set of family dynamics, administrative requirements, assets, beneficiaries and fiduciaries. Our success is a direct result of our attention to detail concerning the distinctive features of each particular trust plan and collaboration with the client and their advisers to ensure that the trust administration is efficient, economical and effective in accomplishing the family's goals.

To this end, we have developed a systematic and thorough approach to reviewing trust documents and ascertaining the grantor's intent. It is our firm belief that identifying and addressing tax and administrative concerns at the outset helps avoid complications during the lifetime of the trust. Taking the time to understand what is expected ahead of time, often allows Commonwealth to price our services competitively, allowing clients to rely on consistent, flat annual fees below those of our competition.

Commonwealth has decades of experience dealing with trusts of all types, including those with international issues, tax issues, and family dynamic issues. Unlike many traditional trust companies, we are comfortable dealing with closely-held family owned businesses. As a directed trustee, we can take investment direction from a third party that is more familiar with the day-to-day business, allowing those who know the business to continue to play an active role in its decision making. This bifurcated investment direction is also useful in allowing a family to utilize multiple investment strategies and work with a variety of financial professionals.

In addition, our focus on administration allows Commonwealth to maintain efficient processes for typical trustee functions such as beneficiary distributions and expense payments. We are able to respond quickly and expertly to trust administration questions and requests, generally turning same around within a matter of hours or days, rather than weeks. Our expertise and our size make us nimble.

Our success in building on-going relationships with advisers has contributed immensely to Commonwealth's growth as a Company. We currently administer approximately 900 trusts with assets under administration totaling in excess of $16 billion. In addition, Commonwealth has an 80+ year legacy which sets us apart in the trust industry.

In the early 1990s, the owners and management of Commonwealth made the pivotal decision to move the company into the direction of directed trustee services. This decision has affected the business profoundly by placing it at the forefront of the open architecture concept. Now, while others are beginning to enter this market, Commonwealth sits with more than twenty years of experience administering directed trusts. The use of a directed trust affords the grantor significant options by allowing a grantor to separate the duties of a traditional trustee amongst multiple advisers. The grantor can place investment authority, distribution authority and administrative authority with completely independent advisers of their choice. This provides a grantor and beneficiaries both maximum flexibility in planning and additional checks and balances within the trust. In this way, each professional can remain focused upon their specific area of expertise.

Commonwealth is owned by its officers and employees who are dedicated to maintaining the company's independence. Our experience in administering trusts for 80+ years provides clients with unique perspectives and insights. Unlike traditional trustees, our directed nature has exposed us to a variety of perspectives, allowing us to find unique solutions by "thinking outside of the box." In addition,

Mark E. Prowell, MSFS, AIF, AEP

Mark E. Prowell, MSFS, AIF, AEP Mark Prowell is the author of "Thinking "Outside of the Box", Commonwealth Sets the Bar for Personal Trust Relationships". Mark specializes in working with very high net worth families – some of whom are on the Forbes list of the nation's largest private businesses.

With more nearly 25 years of wealth management experience, Mark focuses on helping family businesses create plans for the transfer of business ownership, family inheritance, and charitable giving. He helps families and their advisors maximize the estate planning opportunities available today to accomplish long range objectives through lifetime planning strategies.

Mark earned his Master of Science in Financial Services and the designation of Accredited Estate Planner from the American College in Bryn Mawr, Pa., and the designation of Accredited Investment Fiduciary through the Joseph M. Katz Graduate School of Business, University of Pittsburgh. He serves on the boards of directors of local charities and Commonwealth Trust Company in Wilmington, Delaware.

Thinking "Outside of the Box", Commonwealth Sets the Bar for Personal Trust Relationships (Continued)

our ties with the Delaware trust community have sealed our reputation as trust administration experts. Our professionals are well respected in the community and keep Delaware's trust legislation proactive.

In speaking with our clients, Commonwealth is told time and time again that our staff has always provided "that little extra" which is what truly sets us apart. We know that personal relationships are what really matter; therefore, we take great pride in comments such as "I never have to worry about referring Commonwealth to my clients; I know they will be very well taken care of." – Philadelphia Investment Advisor or "from the simplest trust to the most complex trust, the staff at Commonwealth is always accommodating and professional." – Chicago Attorney.

In addition to our dedication to maintaining a well-qualified team internally, we also believe in the importance of including influential businessmen and women on our Board of Directors. The individuals that comprise our Board of Directors are from various backgrounds, which allow them to provide holistic and insightful guidance no matter what the question presented. One such member of our Board, Mark Prowell, is able to bring considerable knowledge as it relates to estate and financial planning for high net-worth individuals. Having worked with Commonwealth, initially as an adviser to his clients, Mark is able to bring a unique perspective. It is for this reason that we have asked him to share his experiences as part of our annual newsletter:

"Our clients are owners of large private businesses, some with thousands of employees. They are accustomed to having authority, making decisions, and having those decisions executed with expediency. They choose to work with the service professionals who most capably and efficiently carry out their goals and they expect sound advice on topics they do not understand.

A great deal of careful design goes into successful estate planning—planning where millions of dollars are protected from estate taxes, creditors, and litigation. One of the scariest scenarios to me is where the trustee is a family member who, out of good nature, agrees to serve as trustee of the family trust, but has no idea what he or she is doing. Poor administration and an imperfect understanding of trust and estate law make for potential financial disasters. The use of a corporate trustee for administration and compliance lifts a large burden from the family member trustee and fits the directive of giving clients sound advice. Then the question becomes which corporate trustee to use?

More than ten years ago, two of our clients encountered issues with their corporate trustees. The first family had funded a trust with company stock via a grantor trust sale scenario years prior. They later went public and the company stock was the only trust asset. The problem arose when the trust company dramatically increased the fee charging an asset under management fee as if they were managing a portfolio, citing the fact that the shares were now public securities. This did not sit well with the client. Within months of this situation, another client family was upset that distribution requests required the approval by the trust distribution committee, which, on a few occasions, took two weeks because of scheduling issues with the committee and the backlog. This certainly didn't sit well with the client. They started to feel that matters were out of their control.

It was apparent; we needed a different approach to trust management. Along with family members, we interviewed several other trust companies; our solution was to move these trusts and many others to Commonwealth under the directed trust arrangement. With Commonwealth, clients not only have the advantages of Delaware laws, as well as, a professional trust company managing the burdensome but critical administration requirements and recordkeeping, they maintain some control over the trust. Using the directed trust arrangement, the family members have the power to select the professional investment managers of their choice and make other investment decisions such as buying real estate and investing in private businesses. In addition, they can also make distribution decisions. For the clients who "don't trust trusts" because they feel they will be giving up control, the directed trust arrangement with Commonwealth will feel much more comfortable; the family is relieved of the administrative burden, but maintains the decision-making functions. The fees for these services are more than worth the cost. When you consider all the things that can go wrong with poor trust administration, the fees to a corporate trustee are like paying premiums on an insurance policy that keeps the plan from unnecessary jeopardy.

I should disclose that after many years of working with Commonwealth, I was asked to serve as an outside director. Aside from this role, and long before being asked to join the Board, I was extremely pleased with Commonwealth's thoroughness and ability to react quickly. In many ways, they feel like an extension of our office. Distribution directions are processed within days, sometimes within 24 hours. As advisors to wealthy clients, we've all received the, "I need it yesterday" call. I recently received a call on a weekend from a client who had agreed to a cash purchase of a vacation home and added, "I'd like to close next week if the inspection passes, and shouldn't I do this in my trust?" With Commonwealth's quick response, working in coordination with the client's law firm, an LLC was formed, funded, and they went to settlement within the week. Now that, and many other situations Commonwealth has assisted us with, is something that sits well with clients and makes your office and service look exceptional."

Saving for College Costs

By: Charles W. Horn, III, EA

The cost of a higher education continues to rise at a pace that makes inflation blush. For a child born today, it is likely that a four-year college education will cost at least $300,000 – and no, that's not for Princeton or Yale. As a result, planning for a child's college education is paramount on many parents' (and grandparents') minds – but it remains a challenge for many families, primarily because there are many options (and even more pieces of advice).

An excellent place to start is by looking at 529 plans. The programs, operated by states and educational institutions, allow you to save for education and get some current tax benefits as well. From a federal standpoint, funds set aside in a qualified 529 plan grow tax-deferred, and when distributions are made to pay for educational costs those distributions are also tax-free. (Many states offer tax benefits as well; you need to check the rules for your state.) The plans typically have low maintenance costs, offer investment flexibility, and leave the donor, not the beneficiary, in control of the funds.

529 plans operate in one of two ways. First, you can establish a Savings Plan. These plans work much like a 410K or IRA – you set the money aside for a specific purpose and control how those funds are invested. The plan will have several options – usually mutual funds or similar vehicles – and you can select the fund (or multiple funds) that you believe will provide an appropriate return. Second, you may select a Prepaid Plan. If established with a specific private college, the plan will be designed to cover all or part of the costs of an education at that institution; if established with a state, it will be designed to cover all or part of the costs of an education at an in-state public institution. Recognizing that 529 plans are typically established long before anyone knows where the child will attend college, prepaid plans offered by states can be converted for use at private and out-of-state institutions. (This is true for some private plans, but you must check with the institution administering the plan.)

Nearly every state now has at least one 529 plan available and, because many offer tax benefits for residents, they tend to be the most popular plans. It is important to note that, just because you establish a 529 plan in a specific state, the student will not be required to attend college in that state. This can lead to a child that has two or more 529 plans from which they may benefit – parents establish a plan in their home state, grandparents in a different state, etc. – but the end result is the same: funds are available for college.

Moving beyond 529 plans, there are a number of options to consider. While they won't avoid income taxes (federal or state), UTMA/UGMA accounts are a way to make annual exclusion gifts to avoid paying gift and generation-skipping transfer (GST) taxes. These are essentially trusts governed by state statute (no trust instrument is involved) that will automatically terminate when the child attains age 18 or 21. Until termination, a custodian will control the account to assure that the funds are not squandered. At termination, however, the funds belong to the child absolutely, so there's no guarantee that they'll be used for educational expenses. Additionally, any income earned will be subject to income taxes including, depending upon the circumstances, the "Kiddie Tax".

More sophisticated approaches to saving for college might include the creation of a trust. While there are several options, there are three worth considering.

Crummey trusts are a popular vehicle for transferring wealth and, by including a distribution provision that allows the trustee to pay for educational expenses, could be used to plan for college expenses. Gift and GST taxes can be avoided by making annual exclusion gifts, multiple parties can contribute to the trust, and the trust can continue beyond the child's education as a supplement to her/his income. While income taxes cannot be avoided through the use of a Crummey trust, if the trust is structured as a grantor trust for tax purposes, the payment of taxes in effect becomes an additional gift not subject to gift or GST taxes. [Depending on the states of residence of the grantor(s) and beneficiary(ies), the opportunity to avoid state income taxes for a non-grantor trust may be possible through the use of a strategically located trustee.]

Section 2503(c) trusts can function in much the same way as Crummey trusts, depending on the distribution provisions. A significant difference is that, unlike a Crummey trust, the 2503(c) trust must be payable to the minor upon attaining age 21. To try to avoid depletion of the trust, a settlor may create a window of time for withdrawal – typically 30, 60, or 90 days – after which the trust will simply continue. Of course, there is no guarantee that the beneficiary won't take advantage of the window, but it limits the opportunity. And, depending on the terms of the instrument, there is opportunity to shift the income tax burden to avoid depleting the trust.

Finally, Health and Education Exclusion Trusts (HEETs) also provide an opportunity to use a trust as a savings vehicle for college expenses. No GST exemption need be allocated when funding a HEET; distributions avoid being taxable gifts via IRC §2611(b) as they are for the direct payment of education and/or medical expenses. That means no reimbursement to a person, or payments for books, room, board, etc., can be made out of the trust. The key to successfully avoiding the GST tax with a HEET is to make

Charles W. Horn, III, EA

Charles W. "Charlie" Horn, III, EA, is the author of the article, "Saving for College Costs".

Charlie is the Tax Manager at Commonwealth. He provides advice and direction on the tax implications of complex transactions. He has more than twenty years of accounting experience, all of it in tax. He is a seasoned accounting professional with extensive experience working with ultra-high net worth clients for income and gift tax compliance.

He has expertise in complex tax issues, including reporting of income/deductions from hedge funds and private equity partnerships, deferred compensation distributions (including stock options), rental properties, and operating businesses. He is also an Enrolled Agent licensed to practice before the Internal Revenue Service.

Saving for College Costs (Continued)

sure that there is always at least one non-skip beneficiary. Typically, that is done by naming a charity as a beneficiary. (Note: Distributions to charity must be "significant" to avoid IRS scrutiny.)

For additional information regarding HEETS, please visit
http://www.comtrst.com/trust-our-word/?s=HEET

Delaware Law Updates

CASE LAW

IMO: Peierls Family Inter Vivos Trusts, No. 16812 (Del. Oct. 4, 2013); IMO: Ethel F. Peierls Charitable Lead Trust, No. 16811 (Del. Oct. 4, 2013); and IMO: Peierls Family Testamentary Trusts, No. 16810 (Del. Oct. 4, 2013). These cases clarify when Delaware law will govern the administration of a trust migrating to Delaware, and thus the Delaware Chancery Court's ability to exercise jurisdiction over such a trust. Pursuant to these decisions, Delaware law will govern the administration of any trust that allows for the appointment of a successor trustee without geographic limitation so long as a Delaware trustee has been appointed and is currently administering the trust in Delaware, absent an expressly contrary choice of law provision within the governing instrument or evidence showing that the grantor intended such state's law to apply even if a successor trustee is appointed in another state.

STATUTORY

12 Del. C. § 3338 - Nonjudicial Settlement Agreements

The most important change included in the Trust Act 2013, from a trust administration perspective, is the addition of a new Section 3338 to Title 12, which authorizes the use of nonjudicial settlement agreements, bringing Delaware in line with the 25 other states (and the District of Columbia) that have adopted a substantially similar provision as part of the Uniform Trust Code ("UTC").

The new Section 3338 allows "interested persons" to enter into a binding nonjudicial settlement agreement with respect to any matter involving a trust (other than a charitable or noncharitable purpose trust described in Section 3541 of Title 12), provided that the agreement does not violate a "material purpose of the trust" and "includes terms and conditions that could be properly approved by the Court of Chancery."

Subsection (a) defines an "interested person" as any person whose consent would be required for a consent petition in the Court of Chancery. Rule 101 of the Court of Chancery Rules provides that a consent petition, and therefore, a nonjudicial settlement agreement, must include consents from (at a minimum) 1) trustees and other fiduciaries, 2) trust beneficiaries (generally those with a present interest in the trust and those whose interest in the trust would vest if the present interest in the trust terminated), 3) the trustor of the trust, if living, and 4) all other persons having an interest in the trust according to the express terms of the trust instrument, including holders of powers and persons having other rights, held in a nonfiduciary capacity, relating to trust property.

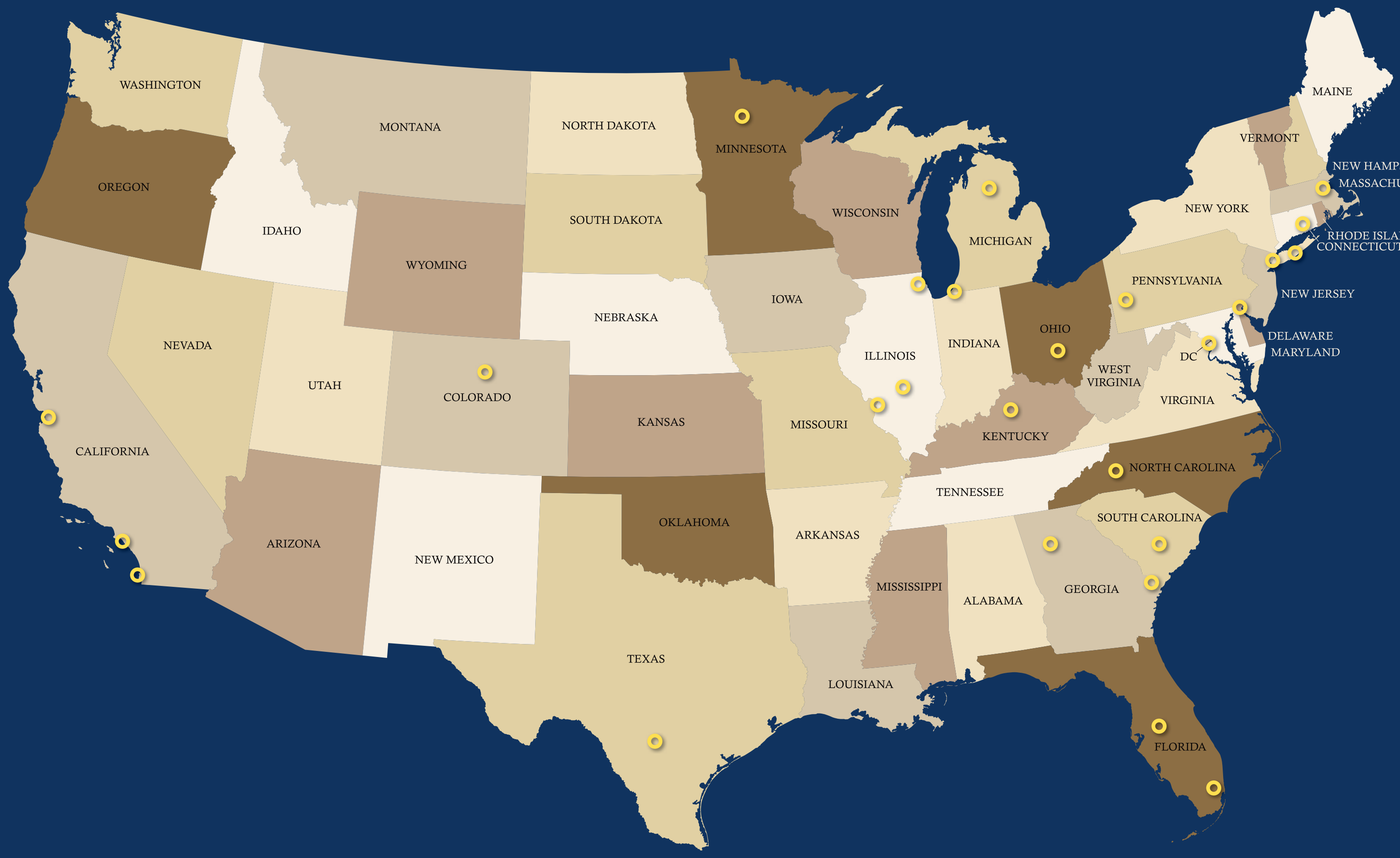
Subsection (d) provides a list of seven matters that may be resolved by nonjudicial settlement agreement. These include 1) the interpretation or construction of trust terms, 2) the approval of a trustee's report or accounting, 3) the direction to a trustee to refrain from performing a particular act or the grant to a trustee of a particular power, 4) the resignation or appointment of a trustee, 5) the determination of a trustee's compensation, 6) the transfer of a trust's principal place of administration; and 7) the liability of a trustee for an action relating to the trust.

According to the Comments to UTC Section 111, upon which Section 3338 is based, subsection (d) is a nonexclusive list of matters that may be resolved by agreement. Thus, nonjudicial settlement agreements under Section 3338 may be used to resolve any trust matter, provided that the agreement does not violate a material purpose of the trust and contains terms and conditions that could properly be approved by the Court of Chancery. Unfortunately, neither Section 3338 nor UTC Section 111 (or the Comments thereto) provide a definition of "material purpose." Whether an agreement violates a material purpose of the trust must be determined on a case-by-case basis and generally depends on the underlying intentions or objectives of the settlor in establishing the trust.

STAY CONNECTED TO COMMONWEALTH TRUST COMPANY

29 Bancroft Mills Road • Wilmington, DE 19806
Phone: 302.658.7214 | **Fax:** 302.658.7219 | **E-mail:** businessdevelopment@comtrst.com
Find us on the Web: www.comtrst.com

To view an interactive map of the upcoming events that CTC will attend, please visit:
http://www.pinmaps.net/map/28452/commonwealthtrustcompany



Delaware: The Trust Friendly State

Trust Friendly Structure	State Income Tax	Directed Trust Statute	Protector Statute	Asset Protection Statute	Dynasty Trust Statute	Limited Disclosure to Beneficiaries Statute	Decanting Statute
Early 20th century	Residents only	Yes (since 1986)	Yes (since 2008)	Yes (since 1997)	Yes (since 1995)*	Yes (since 2003)**	Yes (since 2003)
Non-charitable purpose trust statute	Prudent Investment Statute	Diversification of Investments Standard	Statutory Insurable Interest in Trustee of an ILIT	Invasion Standard for Spendthrift Trusts	Invasion Standard for Discretionary Trusts	No-contest (in terrorem clause)	State Liability Systems Ranking[2]
Yes (since 2007)	Modified Prudent Investor Rule (1986)	Directions in governing instrument or from IA not to diversified respected.	Yes (since 1998)	Trust income and principal not subject to voluntary or involuntary transfer[1]	No (since 2007)	Yes (since 2003)	1

*possible without statute since 1933
**restricted by trust instrument only
1 except that, by case law, income may be reached for separate maintenance of a spouse.
2 based upon data from the U.S. Chamber of Commerce survey (June 19, 2012).

Phone: 302.658.7214
Fax: 302.658.7219
E-mail: businessdevelopment@comtrst.com
Web: www.comtrst.com

COMMONWEALTH CTC Est. 1931 TRUST COMPANY