

***Trust Distributions:  
Mock Discretionary Committee Meeting***

*Presented By:*

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Ruth Eckerd Hall – Margaret Haye Great Room

- 1) What is a Trust Committee?
- 2) What are the types of trust distributions?
- 3) What is the difference between a mandatory and discretionary trust distribution?
- 4) How does a beneficiary receive and/or request trust distributions?
- 5) Defining “health, education, maintenance & support”
- 6) Mock Trustee Committee Scenarios:

**a) Scenario 1:**

- i) Request: \$50,000 for a car, \$1,000 monthly budget, vacation budget of \$10,000 per year
- ii) Scenario 1A:
  - (1) Background Information: 17 year old, \$300,000.00 trust, aspiration to attend college. No mandatory distributions until 25, ultimate distribution at 40, health, education, maintenance and support at Trustee’s discretion.
- iii) Scenario 1B:
  - (1) Background Information: 17 year old, \$3,000,000.00 trust, aspiration to attend college. No mandatory distributions until 25, ultimate distribution at 40, health, education, maintenance and support at Trustee’s discretion.

**b) Scenario 2:**

- i) Request: \$7,000/Month for in home health care, \$3,000/month for “other needs” of beneficiary
- ii) Background Information: 55 years old, \$5,000,000.00 trust. Unable to work. Mandatory net income to the beneficiary at least quarterly and discretionary principal for health, education, maintenance and support.
  - (1) Scenario 2A: Self Medicated by prescription drugs or alcohol and unable to perform most functions of daily living.
  - (2) Scenario 2B: car accident and unable to perform most functions of daily living.

**c) Scenario 3:**

- i) Request: Pay “all expenses” of beneficiary, including in home companion care 10 hours/ day

- ii) Background Information: Beneficiary is 10 years old and is developmentally disabled. Anticipates several surgeries in the future. Special Needs Trust with \$5,000,000.00