

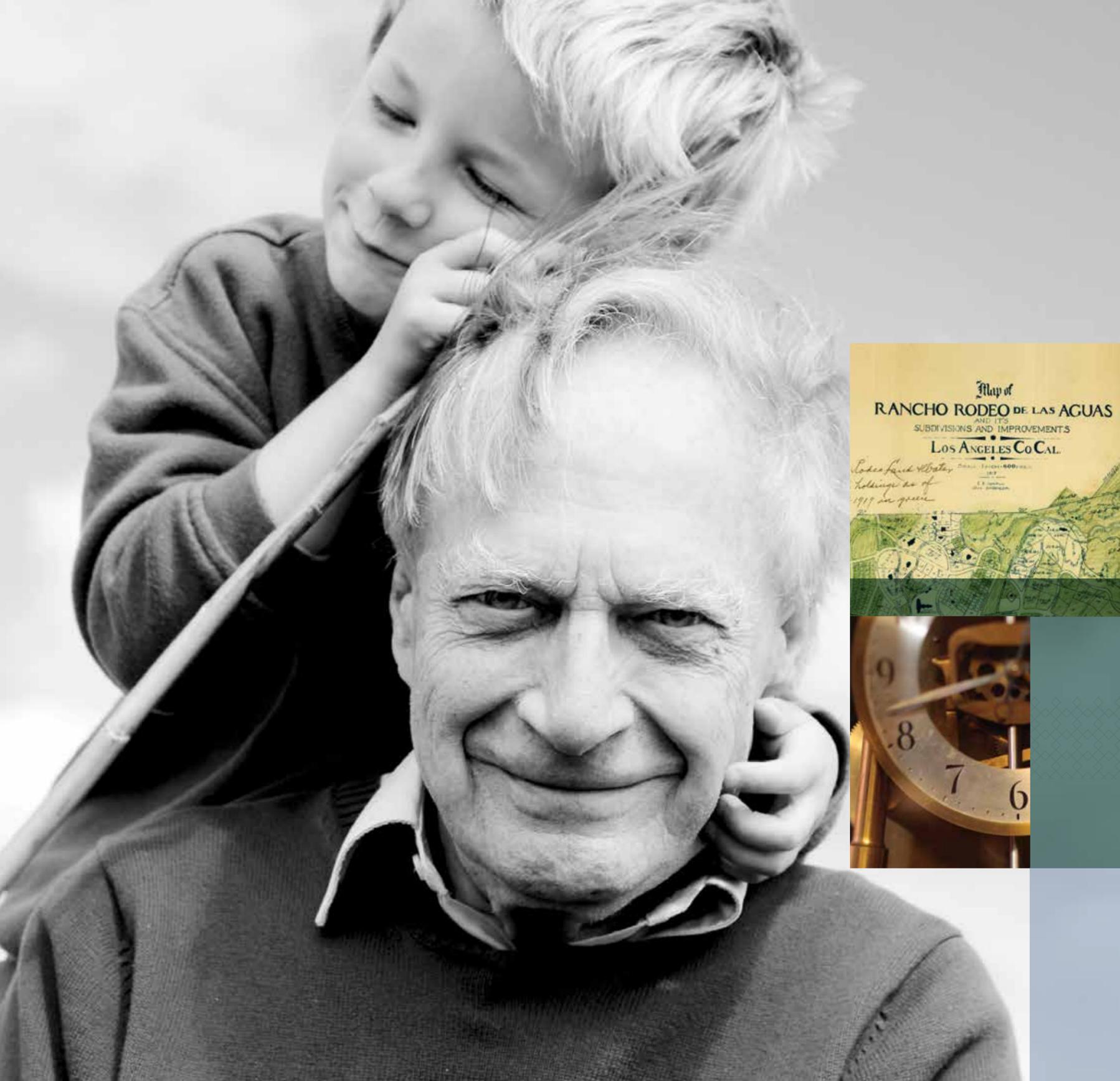
The Nevada Advantage




Whittier Trust
NEVADA

Your Wealth. | WHAT DOES IT MEAN TO YOU?



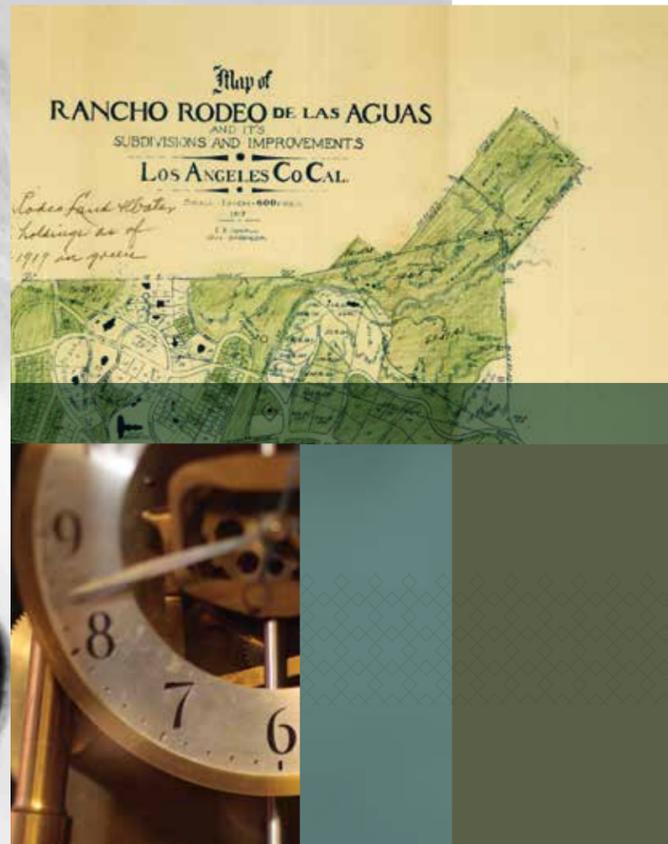


Preserving and growing wealth. Intelligent evolution.

Whittier Trust's roots trace back more than a century to the successful oil and real estate investments of Max Whittier. The financial legacy that Mr. Whittier built for his family resulted in the 1935 creation of the Whittier family office that preserved and grew their wealth.

Throughout the next generation of Whittiers, the family office effectively partnered with them to safeguard their interests. In 1979, the family office oversaw the sale of Belridge Oil Company to Shell Oil Company for \$3.65 billion, the largest financial transaction of its time. A decade later, Whittier Trust replaced the family office to serve both the Whittiers and other affluent individuals and families who sought both personal attention and proven expertise in wealth management.

Recognizing the importance of having a tax-advantaged opportunity for our growing and diverse clientele, The Whittier Trust Company of Nevada, Inc. was established in 1995. Nevada's significant tax advantages and superior benefits presented compelling solutions. Since its inception, Whittier Trust of Nevada has proven to be a refuge for many of our clients seeking greater flexibility and long-term tax savings.





Nevada. An oasis of flexibility and benefits.

More and more wealthy individuals and families are turning to Nevada for the greatest flexibility, optimal tax savings and maximum protection in their financial and estate planning. The genesis of the Whittier Trust Company of Nevada was to offer our clients the advantage of a tax favored environment. Our Nevada trust situs allows our clients to avoid state tax and enjoy benefits such as greater asset protection and the ability to prospectively modify existing trust documents to reflect changing laws and circumstances.

Among Nevada's benefits are:

- No state income tax on individuals, business entities, or trusts
- No state transfer taxes
- No inheritance taxes
- Protection from federal or state transfer tax or state income tax for dynasty trusts through a perpetuity period of 365 years
- Protection from personal creditors through a Domestic Asset Protection Trust
- Adoption of the Uniform Prudent Investor Act that measures performance on an entire portfolio
- Ability to convert an income interest into a unitrust interest
- Recognition of the use of directed trusts and trust protectors
- Ability to appoint, or "decant", property or assets from one trust to a second trust to take advantage of changes in law or resolve problems or issues in existing documents





A Comparative Observation: Silver Outshines Gold.

California earned its name as the Golden State for its entrepreneurial spirit and history of innovation. Yet it may be the Silver State of Nevada that offers vastly superior choices today when it relates to wealth management.

TAX SAVINGS

Unlike most states, Nevada does not have a state income tax. As a result, a Nevada trust will generally only be accountable for a federal income tax. By comparison, a trust located outside of Nevada will generally also be responsible for a sizable state income tax. The lack of state income tax has a tremendously positive compounding effect on the long-term growth potential of wealth.

PERPETUITY PROTECTION

Nevada law allows interests in trusts for up to 365 years, effectively protecting transfer of assets from one generation to the next free from tax burdens. California law, by contrast, allows for only 21 years after the death of the last trust beneficiary who was alive when the trust was created or 90 years after the creation of the trust. There is no federal law against perpetuities.

DIRECTED TRUST PROTECTION

Nevada allows certain trust decisions to be made by a trust advisor or trust protector. Through a directed trust, investment, distribution and other decisions may be placed in the hands of a family member, a trusted advisor, or long term business associate, while administrative and other decisions are maintained with the trustee. As an example, responsibility over a closely-held business or concentrated holding may be placed with an advisor, while oversight of the broader investment portfolio is given to the trustee. Currently, California does not have a directed trust statute.

DECANTING OPTION

Trusts often continue for many years into the future. It is difficult to predict what trust or tax laws may require in a decade, let alone 100 years from now. As a result, a trust can benefit from flexibility in addressing changes in the law. In Nevada, property from one trust can be appointed, or “decanted”, to a second trust to help address such changes or simply consolidate or separate assets.





An East Coast advantage no more.

Nevada and Delaware are considered by experts to be two of the best locations to form and manage a trust.

Delaware, leveraging its experience with corporations, was an early leader in enacting rules favorable to trusts, and a number of East Coast institutions migrated there. At one time, there may have been a material advantage for going to Delaware. That is no longer the case.

Nevada—by passing increasingly progressive laws that promote preserving and growing wealth for future generations—has matched or surpassed Delaware.

What's more, Nevada's location makes it a more convenient and advantageous choice for West Coast-based individuals and families.

Nevada. All the benefits of Delaware, closer to home

- Tax savings
- Dynasty trusts
- Domestic Asset Protection Trusts
- Directed trusts
- Decanting statute





Expanding your wealth management options.

Nevada has quickly grown to become one of the most “trust friendly” states, far surpassing California and challenging Delaware in popularity as a trust situs. Some examples of the many ways that Whittier Trust can help protect and grow your wealth are:

DOMESTIC ASSET PROTECTION TRUST

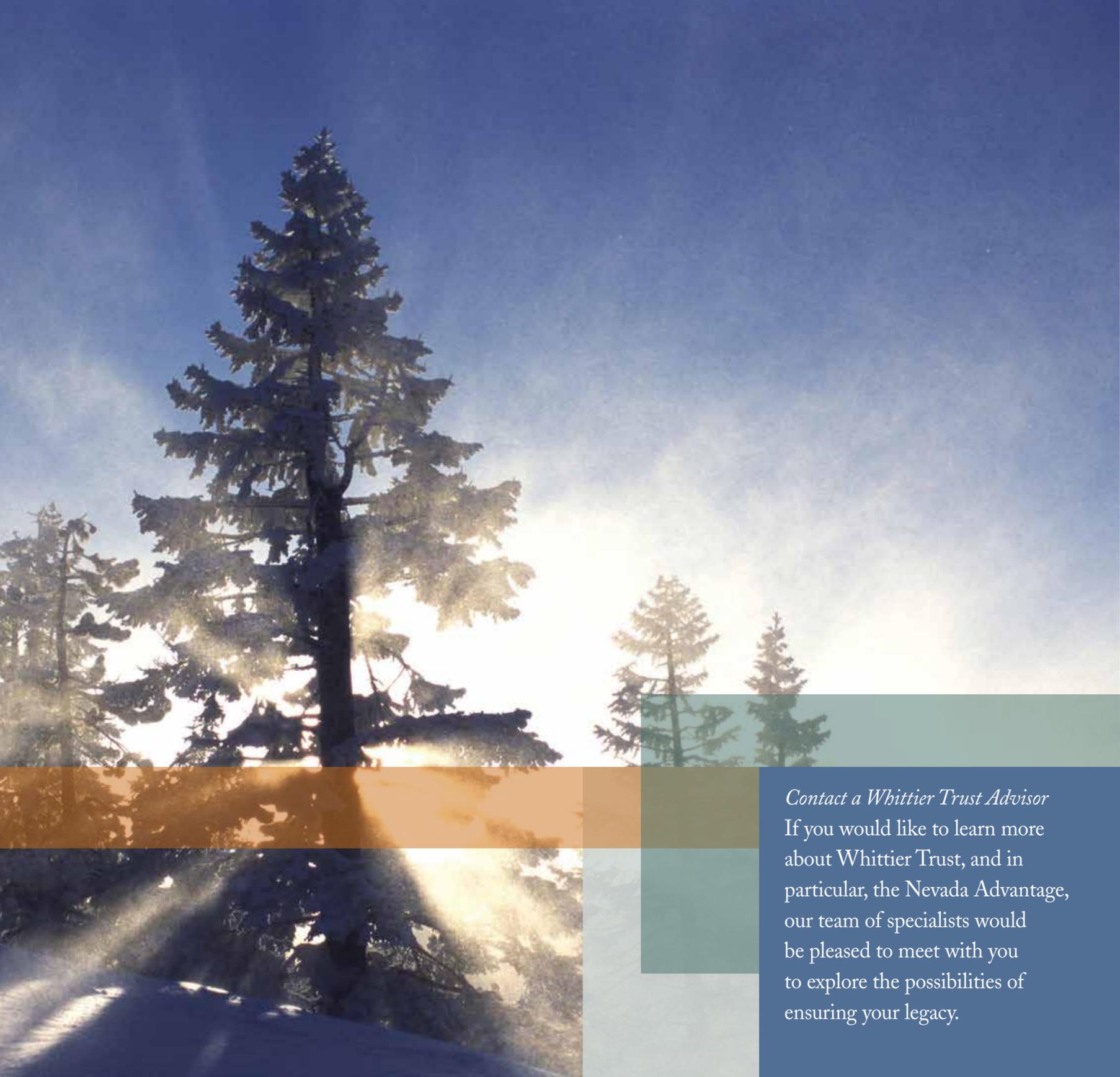
Nevada is widely considered to be the best jurisdiction for a Domestic Asset Protection Trust. It is one of the only states that has a two-year statute of limitations for existing creditors (versus four years in other states). In many cases, trust property is not subject to the personal obligations of the settlor, even if the settlor suffers a legal judgment or becomes insolvent.

NEVADA UNIFORM PRUDENT INVESTOR ACT

Typically a trustee’s duties regarding investment and other administrative responsibilities will vary depending upon whether the state has adopted the Uniform Prudent Investor Act. Nevada has adopted the Act and includes the important provision that a trustee’s decision relating to investments in individual assets must be evaluated, not in isolation, but in the context of the portfolio as a whole. Diversification is generally required unless the purposes of the trust are better served without diversifying.

CONVERSION OF INCOME INTEREST TO UNITRUST INTEREST

Often trust beneficiaries have conflicting interests when it comes to income yield and principal growth. Since the trustee has a fiduciary duty to both, one option to help resolve the conflict is to convert an income interest into a unitrust interest. Under Nevada law, the unitrust requires an annual or more frequent distribution to the income beneficiary based upon a fixed percentage of the trust’s fair market value. This allows the investment manager to invest for long term growth, which benefits the remainder beneficiary while also meeting the income beneficiary’s needs. A unitrust can also be converted back to the original income trust.



Whittier Trust. Expert help, expert advice.

Whittier Trust was founded on the principle of service under the leadership of its patriarch, Max Whittier. Today, we personalize solutions to meet your unique needs just as we have done since the early 1930's.

With personal attention.

- We take the time to get to know you and your family, your values, and your aspirations.
- Our customized service approach is designed to allow our client advisors the time to be proactive in meeting your unique needs. When our client advisors reach 20 client relationships they are considered fully engaged—far less than the industry average of 100.
- Our staffing is arranged in teams. Each relationship has a client advisor, client advisor assistant, portfolio manager, and an assistant portfolio manager. Together they will deliver the services you require and manage your investments.

Through experience.

- Advanced degrees, combined with experience, make for a strong, strategic partner. Whittier Trust's professionals hold legal, accounting, and advanced business degrees.
- Our staff maintains designations of Certified Trust and Financial Advisor, Chartered Financial Analyst, Certified Financial Planner and Certified Public Accountant.
- Our teams have extensive experience in dealing with the sophisticated issues that confront the high net worth individual and family.

Understanding the importance of being flexible.

- We work diligently to properly balance the trust's asset allocation to meet the needs and considerations of each beneficiary.
- Aligning the trust's long-term investment objectives with the right investment strategy is critical. Therefore, we don't work from a list of proprietary products or for that matter a corporate agenda. We are free to deliver the most desirable investment allocation possible.
- Our experience with unique assets is extensive. Closely-held businesses, private equities, partnership interests and the like, need not be excluded from your trust or investment assets under our supervision.
- The Whittier Trust account administration review committee allows for expedited determinations and distributions. The committee members are available to convene on an as needed basis.

Contact a Whittier Trust Advisor

If you would like to learn more about Whittier Trust, and in particular, the Nevada Advantage, our team of specialists would be pleased to meet with you to explore the possibilities of ensuring your legacy.



whittiertrust.com



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