

Elevating the Benefits of the PFTC to a Higher Calling

February 21-22, 2018 | Conrad Fort Lauderdale Beach | Ft. Lauderdale, FL

Private Family Trust Companies (PFTCs) have evolved from a new concept to one that is now established and used widely by family enterprises as a strategy for managing increasing complexity within their enterprise. With the evolution of the PFTC, there are hard questions that need to be asked like how does, and should the PFTC contribute to a family's most important goals and how does the PFTC protect the family's most important assets? The highest calling of a PFTC is to help build stronger families by fulfilling the purposes of the trusts it serves as trustee. The FOX Private Family Trust Company Workshop explores how they can best pursue that mission.

The Workshop is designed for families exploring, creating or operating a PFTC. It will highlight how PFTC families and management are addressing the challenges to fulfill the purpose of family trusts while also looking at the changing needs of the family for effective governance. The Workshop inspires calls to action such as thoughtful development of beneficiaries, addressing increasing risks as state and federal regulators are raising questions about PFTC standards, and complying with tax and regulatory requirements for interstate trust activity.

This two-day Workshop offers two tracks – one for families considering forming a PFTC and another for families with experience developing or operating a PFTC – and industry updates applicable to all.

Join us to explore:

- The central role of the PFTC as glue for the Family Enterprise
- Lessons learned from PFTC Executives and Board Members on balancing the operational requirements of the PFTC with family goals and beneficiary development
- Insights from leading industry experts on state and federal level questions being raised about PFTCs maintaining operational standards, compliance with interstate trust activity requirements and fiduciary duty to optimize trust tax efficiency
- Legal developments and regulatory updates from state regulators and other experts in top PFTC charter states sharing updates (and insight on those states seeking to join the ranks)
- New structures to engage beneficiaries through bottom up instead of top down focus on what the trusts can do for them
- Effective governance models to adapt to the family's changing needs and to achieve long term strategic goals
- Deep dive breakouts on cutting edge techniques and tools to efficiently manage trusts unique to the PFTC structure and family education

FOX Private Family Trust Company Workshop

February 21-22, 2018 | Conrad Fort Lauderdale Beach | Ft. Lauderdale, FL



Guest Presenters



Bret Afdahl
Director
South Dakota Division
of Banking



Richard Joyner
President
Tolleson Wealth Management



John Seckman
President
Shoebox Private Trust Company



Bruce Betteres
CEO and Chief Investment
Officer
Marshall Street Capital



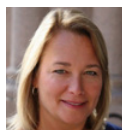
Melissa A. Kirkby
Vice President
The Bill Kitt Trust Company, LLC



Jeff Strese
Chief Talent and Learning Officer
Tolleson Wealth Management



John Duncan
Principal
Kozusko Harris Duncan



Kim Kusilek
Chief Operating Officer
HRK Group, Inc.



Domingo Such
Attorney/Partner
Perkins Coie LLP



Rob Galloway
Partner
Baker Hostetler LLP



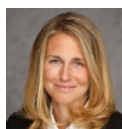
Jeffrey R. Lauterbach
Independent Advisor
and Consultant



Philip Tinkler
Chief Financial Officer Chai
Trust Company, LLC; Chief
Financial Officer and Chief
Operating Officer, Equity
Group Investments (EGI)



Hartley Goldstone
Research Fellow
Wise Counsel Research



Pamela Lucina
Executive Director – Advice, Planning
and Fiduciary Services
BNY Mellon Wealth Management



Matt Tobin
COO, Legal Counsel and
President of SDTC Services LLC
South Dakota Trust
Company LLC



Greg Gonzales
Commissioner
Tennessee Department
of Financial Institutions



Sarah Bush Nuckolls
Chair, Family Senate
Bush Brothers & Company



Tony Wilson
Chairman
Shoebox Private Trust
Company



Ryan M. Harding
President
Garden Trust Company



Miles Padgett
Partner
Kozusko Harris Duncan



Marianne Young
President
Market Street Trust Company



Barbara Hoeft
Managing Partner
Willow Street Group



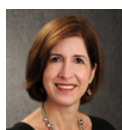
Nancy J. Daigle Renaud
Director of Trust Supervision
New Hampshire Banking Department



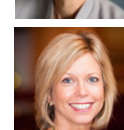
Sara Hamilton
Founder and CEO
Family Office Exchange



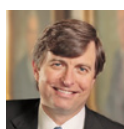
James Houghton
Board President
Market Street Trust
Company



Anita Sarafa
Wealth Advisor, Managing Director
J.P. Morgan Private Bank



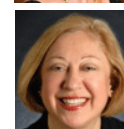
Ruth Easterling
Managing Director,
Member Services
Family Office Exchange



Richard Johnson
Partner
Waller Lansden Dortch & Davis, LLP



Carleen Schreder
Partner/Owner
Levin Schreder & Carey, Ltd.



Mariann Mihailidis
Managing Director, Councils
Family Office Exchange

FOX Presenters

Workshop Sponsors



8:00 am Breakfast and Registration

9:00 am General Session & Welcome

9:15 am The Highest and Best Use of the Private Family Trust Company

Presenter: Sara Hamilton, *Founder and CEO, Family Office Exchange*

Family Enterprises grow out of successful family businesses, and they expand to include other operating companies, the family's philanthropic interests, a family office, and eventually a private family trust company (PFTC). Enterprise boards set strategic direction and capital allocations for the collective family enterprise. Both the family office and the private trust company support the broader enterprise, and how they interact together is critical to the success of the family and the enterprise. The roles that the PFTC might play in support of the enterprise will be discussed in this session, along with how to ensure that strategic planning is done in tandem across the enterprise.

9:45 am Networking Break

10:00 am Track Programs Begin (Select Track A or Track B)

The Private Family Trust Company structure offers the promise and potential to assure that the trusts they implement achieve their purpose of preserving and strengthening families. **Day one provides attendees two options:**

TRACK A PRIVATE FAMILY TRUST COMPANY 101

For those considering a PFTC, **Track A** provides a roadmap for what you need to know when considering the PFTC alternative.

TRACK A For Families Considering a PFTC

10:00 am What Does it Really Mean to be a Trustee? How Well Can a Private Trust Company Satisfy the Requirements?

Presenter: Richard Johnson, *Partner, Waller Lansden Dortch & Davis, LLP*

An industry expert provides participants with a candid assessment of the powers, responsibilities, duties and potential liabilities of a trustee and how a PFTC can effectively address them while meeting a family's needs and goals. Discussion will include:

- Types of trust structures and options available to families
- Distinguishing characteristics of each option
- Circumstances for which each option might best suit a particular family
- How a family-owned and controlled trust company is well-suited to effectively meet a family's needs and goals

TRACK B ACHIEVING THE POTENTIAL OF THE PFTC

For those with an established PFTC, **Track B** brings focus on the beneficiary/trustee relationship including a panel of PFTC executives sharing how to maintain the standards required by the regulators while also meeting beneficiary needs, and how to use the private trust structure to build stronger trustee and beneficiary relationships.

TRACK B For Families with an Established PFTC

10:00 am Transformative PFTC Governance Structures

Presenters: Sara Hamilton, *Founder and CEO, Family Office*

Ryan M. Harding, *President, Garden Trust Company*

PFTCs are known to be a powerful tool in long term family governance. The challenge is transforming the structure to maximize its potential as the center of the family's wealth preservation pursuits. Sara Hamilton and Ryan Harding, who has seen the PFTC potential and challenges both as a lawyer and a PFTC and family office executive, share insights on how governance models can evolve to meet the changing needs of the family enterprise.

TRACK A - CONTINUED

11:10 am **Governing the PFTC: Owners and Directors**

Presenter: **Domingo Such**, *Attorney/Partner, Perkins Coie LLP*; **Jeffrey R. Lauterbach**, *Independent Advisor and Consultant*

Once a family has decided to develop a PFTC and establish its role, it needs to consider how to structure and manage the entity. Factors include:

- Identifying a proper ownership structure for a dynastic charter
- Choosing a board; knowing what to look for and considerations about using non-family members
- Implementing required/desired officer positions, and the qualifications for each
- Implementing required and desired committees, understanding how they function, and how to go about choosing members
- Accepting trusts and making trust decisions

12:15 pm **Combined Luncheon for Track A & B Attendees**

1:30 pm **Choosing the Right PFTC Charter State**

Presenter: **Miles Padgett**, *Partner, Kozusko Harris Duncan*

The first step after deciding to form a PFTC is choosing the best home state for the family to help achieve its vision. This requires a balancing act that weighs convenience, trust and trust-company laws, regulatory environment, quality of probate courts and trust bar, and tax environment of the states under consideration. This session will explain the "Four Building Blocks" that make a state great for chartering a PFTC, and identify which states currently have them. Building blocks include:

- Excellent trust laws
- Tax laws and policies focused on economic development
- Positive public policy contexts
- Geographic convenience (location and interstate authority)

TRACK B - CONTINUED

10:45 am **The Beneficiary Relations Committee's Role: Realizing Family Trusts' Potential**

Presenter: **John Duncan**, *Principal, Kozusko Harris Duncan*

The purpose of practically all family trusts is to build and preserve strong families. Strong families are built upon strong family members. Industry pioneer, John Duncan, provides beneficiary focused approaches for supporting strong families and increasing the share of beneficiaries experiencing their trustee as a blessing in their lives. Attendees will learn how to reshape the Distribution Committee as a Beneficiary Relations Committee.

11:15 am **PFTCs in Action – Panel**

Panelists: **Bruce Betters**, *CEO and Chief Investment Officer, Marshall Street Capital*

Ryan M. Harding, *President, Garden Trust Company*

Kim Kusilek, *Chief Operating Officer, HRK Group, Inc.*

Moderator: **Mariann Mihailidis**, *Managing Director, Councils, Family Office Exchange*

Additional panelists to be announced

This panel will discuss elevating the role of the PFTC, despite the challenges of pulling all the pieces together. The discussion will include implementing effective governance and operations, board structure, shifting the family and operational culture, engaging the family, and managing the risks in today's environment.

12:30 pm **Combined Luncheon for Track A & B Attendees**

1:30 pm **Building Positive, Long-term Relationships Between the Trustee & Beneficiary**

Presenters: **Pamela Lucina**, *Executive Director – Advice, Planning and Fiduciary Services, BNY Mellon Wealth Management*

Anita Sarafa, *Wealth Advisor, Managing Director J.P. Morgan Private Bank*

In this session, Pamela Lucina and Anita Sarafa will explore how the private family trust company can build a positive long-term relationship with the beneficiary that can significantly impact a family's long-term wealth preservation plan. The discussion will develop the concept that trusts are relationship—dependent on care and feeding, communication, and expectation-management by both the trustee and beneficiary.

TRACK A - CONTINUED

2:30 pm Turning the PFTC Idea Into an Operating Trust Company

Presenters: Carleen Schreder, Partner/Owner, Levin Schreder & Carey, Ltd.

Philip Tinkler, Chief Financial Officer, Chai Trust Company, LLC; Chief Financial Officer and Chief Operating Officer, Equity Group Investments (EGI)

Moving from theoretical concept into execution involves thoughtfully and comprehensively answering the “5Ws and 1 H - When? What? Why? Who? Where? How?” An industry professional and PFTC CFO share insights on how to effectively implement the PFTC structure.

- When do you start the chartering process?
- What services will the PFTC provide our family besides acting as a trustee?
- Why are some activities better kept in-house, while some are outsourced?
- Who will staff our trust company?
- Where do we execute and house operational docs?
- How do we move from running a family office to a PFTC, insure the company and management, and otherwise develop a fiduciary risk culture?

3:30 pm Networking Break

3:45 pm Approval, Supervision, and Examination of PFTCs

Presenters: Matt Tobin, COO, Legal Counsel, and President of SDTC Services LLC, South Dakota Trust Company LLC

Melissa A. Kirkby, Vice President, The Bill Kitt Trust Company, LLC

Depending on where the entity is chartered, a PFTC may receive a limited scope review, once every three years or sooner, based on its volume and type of fiduciary activity. In this session, a veteran of trust company examinations and a PFTC executive will provide insight into what to expect from “standard” examination procedures, including:

- Chief criteria for charter application approval
- State regulatory requirements for operations that PFTCs sometimes do not expect
- Goals and focus of examinations
- Preparing for the examination
- Examination process
- Post-examination responsibilities of management

4:45 pm Day One Review and Closing

TRACK B - CONTINUED

2:30 pm Networking Break

2:45 pm Making it Work: The Distribution Process

Presenters: John Seckman, President, Shoebox Private Trust Company

Sarah Bush Nuckolls, Chair, Family Senate, Bush Brothers & Company

Tony Wilson, Chairman, Shoebox Private Trust Company

Moderator: Ruth Easterling, Managing Director, Member Services

The health of the trustee and beneficiary relationship comes to the forefront through the distribution process. How are PFTCs achieving balance in supporting the needs of the beneficiary while also holding to their fiduciary standards? A panel of PFTC distribution committee members and beneficiaries share their experience in developing their relationships and lessons learned along the way.

3:45 pm Peer Dialogue – Please Select One

1. Trust Strategies and Structures
2. PFTC Operations and Administration
3. Examinations

5:00 pm Day One Review and Closing

6:30 pm Workshop Cocktail Reception and Dinner

For all Workshop Participants

Tracks A and B Participants Join Together

7:30 am Breakfast

8:30 am Opening Remarks

8:45 am Private Family Trust Companies that Preserve Family and Preserve Trust

Presenter: Hartley Goldstone, *Research Fellow, Wise Counsel Research*

The highest calling of the PFTC—or any trustee—is to develop flourishing beneficiaries. This calling must balance fiduciary responsibilities with facilitating healthy beneficiary growth. Hartley Goldstone identifies the risks when this calling is ignored and the challenges faced in establishing healthy trustee and beneficiary relationships. He provides examples of how successful families and private trust companies are achieving this calling.

9:15 am A Family Case Study: The PFTC

Presenters: James Houghton, *Board President, Market Street Trust Company*

Marianne Young, *President, Market Street Trust Company*

Moderator: Sara Hamilton, *Founder and CEO, Family Office Exchange*

As Market Street Trust Company reaches the 30-year milestone as a private trust company, Marianne Young shares the evolution of the Houghton Family's PFTC as a center of the family's governance and enterprise management. She will offer a candid conversation about aligning the family's values to the services provided, adapting service strategies as the family generations evolve, and keeping the PFTC relevant as the hub of the family enterprise.

10:15 am Networking Break



10:30 am PFTCs at Risk: A Call to Maintain Standards

Panelists: Rob Galloway, *Partner, Baker Hostetler LLP*; **Barbara Hoeft**, *Managing Partner, Willow Street Group*; **Matt Tobin**, *COO, Legal Counsel, and President of SDTC Services LLC, South Dakota Trust Company LLC*

Moderator: Carleen Schreder, *Partner/Owner, Levin Schreder & Carey, Ltd.*

As use of PFTCs has matured as a strategy for enterprise families, risks are emerging that will affect all private family trust companies. This session will feature industry experts sharing insights and situations where PFTCs operating outside of operational and governance standards are putting the entire industry at risk. It will reinforce the key legal, regulatory, and organizational standards that are necessary to ensure sustained operation, in both regulated and unregulated environments.

11:30 am Lunch and State Panel

Panelists: Bret Afdahl, *Director, South Dakota Division of Banking*; **Greg Gonzales**, *Commissioner, Tennessee Department of Financial Institutions*; **Nancy J. Daigle Renaud**, *Director of Trust Supervision, New Hampshire Banking Department*

Moderator: Miles Padgett, *Partner, Kozusko Harris Duncan*

Additional panelists to be announced

Regulators and representatives from states with strong offerings for family trust companies will be on hand to un-shroud the mysteries of state trust company laws and requirements. The panel will address:

- Current emphases of compliance exams and fiduciary audits
- Current assessments of the relative risks of PFTC
- Cyber security and data privacy, AML, BSA, and financial crimes
- Vetting and controls over third-party providers to PFTCs
- State innovations to support private trust company operations with minimized burdens
- Emerging States on the radar for PFTCs

1:15 pm **Peer Exchange**

2:15 pm **Networking Break**

2:30 pm **Breakout Sessions (Select one)**

BREAKOUT SESSION 1

Cutting Edge Techniques and Tools Unique to the PFTC Structure

Presenter: **Richard Johnson**, *Partner, Waller Lansden Dortch & Davis, LLP*

The PFTC structure provides great opportunities to efficiently manage trusts and reduce risks. In this session, attendees will hear specific strategies around situs positioning, concentrations, decanting trusts, and taxes.

BREAKOUT SESSION 2

Family Education

Presenters: **Richard Joyner**, *President, Tolleson Wealth Management*

Jeff Strese, *Chief Talent and Learning Officer, Tolleson Wealth Management*

While the PFTC vision may be to create great beneficiaries, the challenge is how to effectively educate when there are different learning styles, schedules, and dynamics to address? This session provides insight on how one organization is providing education to family members and options that can be considered.

3:30 pm **Networking Break**

3:45 pm **Bringing it All Together**

Panelists to be Announced

In this capstone session, a panel including experts and PFTC executives, brings together the themes and calls to action discussed during the workshop. It summarizes the thinking among the attendees about where the industry is heading and what is on the mind of families, executives and experts to ensure the benefits of the PFTC are actualized.

4:45 pm **Workshop Closing Remarks**

5:00 pm **Adjournment**



FOX PFTC Network Sponsor



Department of
Financial Institutions

Workshop Location



Conrad Fort Lauderdale Beach

551 N. Fort Lauderdale Beach Blvd., Ft. Lauderdale, FL 33304

www.conradfortlauderdale.com

FOX has reserved a limited number of rooms at our conference hotel, The Conrad Fort Lauderdale Beach, at a rate of \$329 per night plus applicable taxes. To obtain the special rate, contact reservations at **1-800-774-1500** and mention Family Office Exchange or the Private Family Trust Company Workshop. Our group code for reservations is **FOE**. Additionally, you may book your reservation online utilizing the group code at www.conradfortlauderdale.com.

The cutoff date for reservations at the discounted rate is January 26, 2018.



Family Office Exchange is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.NASBARegistry.org.

Field of Study: Finance - Up to **10.5 CPE credits** can be earned by attending this event. CPE credits are accepted at the option of state certifying boards. Requirements, compliance procedures and acceptance may vary by state.

Program Level: Overview | No prerequisites are required for any of the sessions.

Delivery Method: Group Live Program

Learning Objectives: Upon completion of the program, participants will have an understanding of: the central role of the PFTC within the Family Enterprise and how to keep it relevant over time, a roadmap when considering a PFTC structure and the techniques to develop flourishing beneficiaries, how one balances the operational requirements of the PFTC with the family's needs, and insights on maintaining operational standards and interstate trust activity. Participants will also have the opportunity to gain best practices and strategies when addressing topics, such as: PFTC governance, cutting edge techniques and tools unique to the PFTC structure, and family Education.

FOX Private Family Trust Company Workshop Registration

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NOTE: The Private Family Trust Company Workshop is open to family members, PTFC board members, and family office and PTFC executives. FOX also reserves limited seats for qualified prospective members who are developing, operating, or considering a PTFC. Advisors from multi-family offices and professional service firms may be qualified to attend. All registrations subject to approval by FOX.



Register online at
www.familyoffice.com/pftc



Scan and email to
events@familyoffice.com



Fax this form to our
Events Team at [312.327.1212](tel:312.327.1212)

Registration Questions

Please answer all questions below.

Do you have a Private Family Trust Company (PFTC)?

- ☐ Yes ☐ In the process of forming
☐ No, Exploring the option ☐ N/A

If Yes, or In the process of forming one: In what state is your PFTC chartered?

Which best describes your role?

- ☐ PFTC Executive ☐ PFTC Board Member
☐ FO Executive ☐ CEO ☐ Family Member
☐ MFO Executive ☐ Other Advisor ☐ Regulator

What 2 topics would you like to discuss with peers?

What are your learning objectives for this workshop?

Which track will you attend on Wednesday, February 21?

- ☐ [Track A](#) – Private Family Trust Company 101
– for families thinking about a PFTC
☐ [Track B](#) – Achieving the Potential of the PFTC - for families with a PFTC

Track B Participants, please select One Peer Dialogue Topic:

- ☐ Trust Strategies and Structures
☐ PFTC Operations and Administration
☐ Examinations

Will you attend the Cocktail Reception and Dinner on Wednesday, February 21?

- ☐ Yes ☐ No

Which Breakout Session will you attend on Thursday, February 22?

- ☐ [Breakout 1](#) - Cutting Edge Techniques and Tools Unique to the PFTC Structure
☐ [Breakout 2](#) - Family Education

Will you stay at the [Conrad Fort Lauderdale Beach](#) during the workshop?

Attendees are responsible for reserving their own accommodations for the Workshop.

- ☐ Yes, I plan to stay at the Conrad.
☐ No, I do not plan to stay at the Conrad.
☐ Not sure, my plans are not finalized.

Attendee Information

Name (First/Last)

Family Name /Family Office Firm Name/Company Name

Title/Position

Street Address

City

State/Province

Country

Zip/Postal Code

Phone

E-mail

Do you have any dietary or special needs?

Registration Fees

FOX Members	Non-Members
<input type="checkbox"/> Member \$2,100	<input type="checkbox"/> Non-Member \$2,600
<input type="checkbox"/> Member Additional Paid Attendees \$1,775	<input type="checkbox"/> Non-Member Additional Paid Attendees \$2,225

Space is limited; all attendees must submit a registration form to ensure a seat.

This workshop is eligible for up to 10.5 CPE credits, subject to state requirements.

Payment Method

☐ Payment by check is enclosed. (Check payable in U.S. dollars to Family Office Exchange)

Please mail check to: **Family Office Exchange ATTN: Events**
100 S Wacker Drive, Suite 800, Chicago, IL 60606

☐ To pay by credit card please call the Events team directly at **312.327.1221** and provide credit card details.

For event registrations, refunds of payment or forum credits will be offered if the cancellation is made in writing to Family Office Exchange at events@familyoffice.com five (5) or more business days prior to the start of the event. For more information regarding complaints or administrative policies please call **1.312.327.1200**.