

Understanding a Trust Fund

What is a Trust? A Trust can be compared to a safe deposit box that holds valuable items, for the benefit of loved ones or causes. It is a legal arrangement whereby a person or an entity (known as a trustee) holds property as its legal owner, not for their own benefit, but for the benefit of one or more beneficiaries. It is essential that the transfer is gratuitous, otherwise the transaction takes on the characteristics of some other legal entity.

At CPF, we seek to provide a measure of comfort knowing that you have a plan in place to help provide for the safe and accountable management of your assets and to direct their use in accordance with your wishes, goals and objectives.

What do you need to set up a trust?

A Settlor (Donor/ on an Absolute Trust) - the person(s) who puts assets into a trust (transferring legal ownership to the trustees) and appoints trustees to look after the trust.

A Trustee - the person(s) who looks after the contents of the trust on behalf of the beneficiary (ies) - normally trustees are the settlor themselves, and at least one other person, someone else the settlor trusts and who is likely to outlive them.

A Beneficiary - the person(s) who can benefit from the trust.

Trust services offered by the CPF Trust Fund

CPF Imara Trust Fund offers a broad range of fiduciary services including trust services for multi-family offices and institutional clients. Our innovative management solutions are tailored to suit the unique needs of every client; namely:

1. **Special Needs:**

Lifetime provision for the physically & mentally challenged beneficiaries to maintain their dignity.

2. **Spousal Income:**

Gift to surviving spouse where they have the discretion to control and name beneficiaries after your death.

3. **Asset Protection:**

Self-settled spendthrift trust for yourself/protection of inheritance.

4. **Life Time Trust for Heirs:**

Protects assets from others through marriage, divorce, creditors, bankruptcy or judgements

5. **Advanced Healthcare:**

Document that allows decisions to be made on your behalf with regard to healthcare and life support decisions as per your instructions

6. **Financial Durable Power of Attorney:**

Giving authority to someone else to manage your financial affairs when you become incapacitated

7. **Assignment of Personal Property:**

Transfer of tangible and intangible property which do not necessarily have title documents but are of sentimental value.

8. **Life Insurance:**

Premiums paid through the Trust which is named as the beneficiary of the policy. The actual beneficiaries are provided in the Trust together with instructions on distribution/management.

9. **Charitable Remainder:**

Donation to charity in advance to save on taxes. You become the beneficiary with an annual income from the charity. The remainder goes to charity upon your demise.

10. **Generation Skipping:**

Preserves wealth for several generations.

11. **Welfare/Benevolent Funds**

Management of welfare/benevolent funds for organizations, groups and chamas

How to get started:

Select the type of arrangement you need and give us instructions to create the trust. Give written instructions through a grant letter on how to manage the assets in the event of your untimely demise.

Our expertise

Our private client services are built around a team of experienced and qualified staff dealing exclusively with the needs of our individual clients.

The Trust has an established governance structure with competent Board of Trustees, Corporate Administrator (CPF Financial Services) and professional service providers; Fund Manager (Natbank Trustee & Investment Services Limited) and a Custodian (NCBA Bank) for quality assurance.

Our independence

Our independence ensures institutions providing banking, investment, custodial and other professional services to the CPF Imara Trust Fund and our clients are selected with complete impartiality and solely on the basis of their ability to meet individual client needs. We are experts in putting together the right structures to facilitate the effective management of trusts.

Why join the CPF Imara Trust Fund ?

- Avoids probate process and is tax exempt.
- Easy to set up as the settlor only needs to sign a grant letter adhering to the Trust Deed & Rules
- Safeguards interests of minors & the vulnerable
- Provides anonymity, safeguarding clients from public inspection as compared to wills which can be broken by the courts
- Provides a framework for predictable management of assets.
- Funds are invested with a registered fund manager
- Ties up property to benefit persons in succession e.g. if a spouse remarries, property gets separated from such a spouse, ensuring children get the benefit of the property.
- Creates guideline for current & future distribution reflecting the Settlor's wishes & desires
- Provides unbiased loyalty & independence while executing Settlor's wishes

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CPF Imara Trust Fund
Protecting the future, fulfilling today.