

BRIDGEFORD[®]

Trust Company

...Delivering Direction and Control

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About Us

As a fully independent trust company chartered in South Dakota, Bridgeford Trust Company provides conflict-free and innovative fiduciary services and progressive U.S. modern trust law solutions around asset protection, privacy, and tax planning to domestic and international families across the country and around the world.

Over the past 25 years, Bridgeford Trust Company evolved from one of South Dakota's first private trust companies into a public and modern trust company serving the global ultra-high net worth and family office space. Now the oldest and largest independently owned South Dakota chartered trust company, we leverage over 125 years of combined legal, accounting, and trust administrative experience executed through our talented and growing staff of fiduciary professionals, comprised primarily of JDs, CPAs, CFAs, and CTFAs, from offices in Pierre and Sioux Falls, South Dakota.

Driven by the demands and unique needs of affluent families, more change has occurred in the fiduciary industry in the past 20 years than has occurred in the previous two centuries. Leveraging cutting edge, modern trust laws, Bridgeford Trust Company - with its flexible, nimble, and entrepreneurial spirit and approach - is a part of this trend globally and represents a new and emerging wealth management service paradigm built around true independence, collaboration, and world-class capabilities.



"The trust industry is undergoing a quiet revolution that has wrested control of trust accounts away from traditional trustees – primarily in the banks and other large institutions – and back into the hands of independent trust companies and advisors."

Advisor Friendly Fiduciary Services

Trust planning and administration continues to be an essential component of wealth planning for affluent individuals and families. Since Bridgeford Trust Company does not manage assets, we are a natural collaborator with asset managers, financial advisors, insurance professionals, and family offices in need of sophisticated fiduciary solutions, including asset protection, privacy, and tax efficiency. Based on a culture built around entrepreneurialism and creativity, Bridgeford Trust Company's solutions-oriented and nimble approach is a powerful differentiator in the fiduciary marketplace.

The directed trust model, which bifurcates fiduciary liability, allows true conflict-free collaboration with asset managers, financial advisors, insurance professionals, and family offices and offers a compelling alternative to the traditional bundled approach of bank-based trust departments. This "unbundling" of financial services allows the independent trustee and advisor to collaboratively provide comprehensive wealth management solutions while delivering tremendous direction and control back to settlors of trusts, beneficiaries, and their advisors.

"Surveys of affluent families across the country consistently indicated that this demographic has grown weary of the inflexibility, turnover, and exorbitant fees associated with institutional bank based trust departments."

Asset Protection Trusts

Domestic Asset Protection Trusts (DAPTs) – available only in a small number of states, including South Dakota – are a formidable planning strategy that legally shields assets from third-party liability and lawsuits while permitting settlors to retain some control over the trust assets and enjoy a discretionary benefit during their lifetime.



Therefore, an individual can establish a DAPT that is fully discretionary, meaning settlors can receive financial benefit from the trust (income and discretionary principal distributions), and protect trust assets from creditor claims and lawsuits, while maintaining control over the investment management function through the directed trust structure.

South Dakota has one of the oldest and most progressive self-settled domestic asset protection provisions in the United States. With its two-year “look-back” fraudulent conveyance statute, South Dakota’s provision is among the shortest in the country.

Directed Trusts

Directed Trusts - only available in a handful of states, including South Dakota - continue to drastically change the trust world through unbundling asset management and trust administration functions, putting control back into the hands of settlors, beneficiaries, and their advisors.

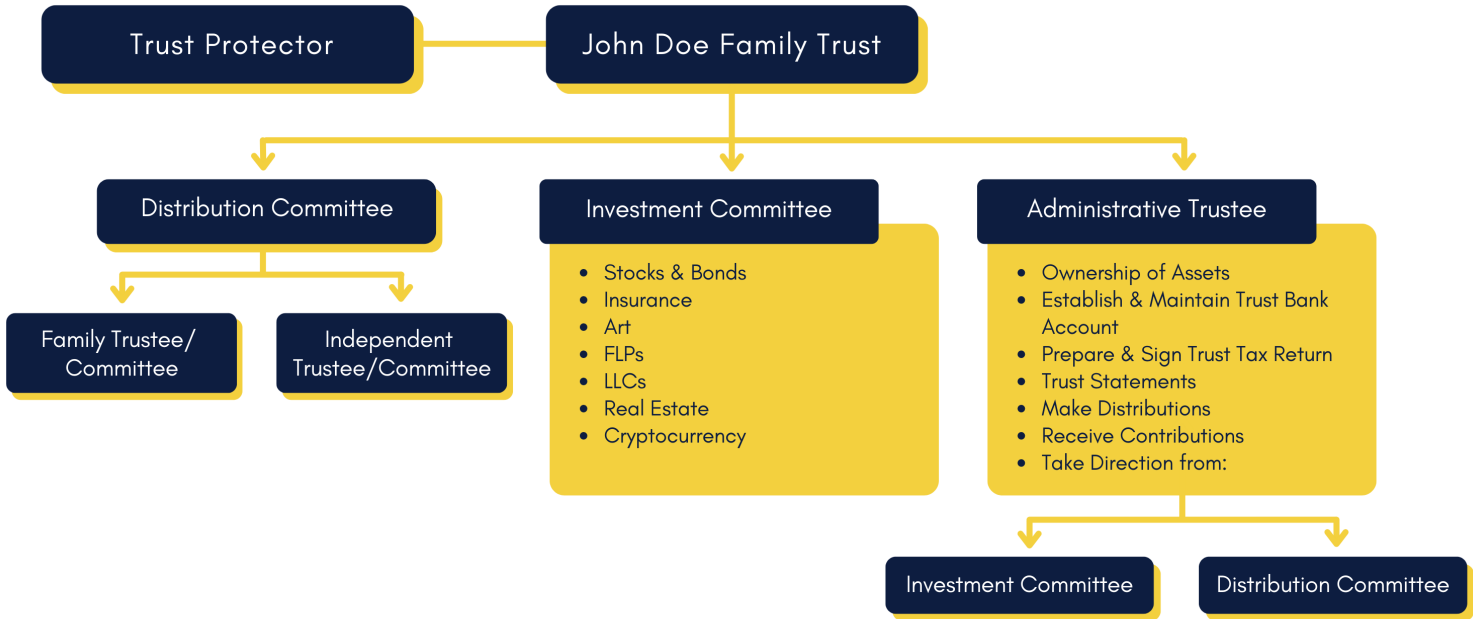
Through bifurcating liability, the directed trust model creates a legal framework allowing trustees and beneficiaries to work with asset managers and independent trust companies of their choosing.

South Dakota's directed trust statute is recognized as among the best in the nation, allowing Bridgeford Trust Company to work collaboratively with clients and their long-time trusted advisors while delivering industry leading fiduciary capability.



"The emergence of upstart nondepository public directed trust companies is a disruptive force to be reckoned with."

Directed Trust Structure



Foreign Grantor Trusts

For a myriad of reasons – including privacy and asset protection – wealthy families from around the world are seeking U.S. trust solutions. Because of the power and sophistication of its trust laws, international families are increasingly selecting South Dakota for trust situs of Foreign Grantor Trusts.

Why a Foreign Trust?

- Repatriation to the U.S.
- Reporting protocols
- Taxation
- Foreign born person living in U.S.
- Foreign person with U.S. assets
- Privacy/political corruption concerns

Through appropriate planning and drafting, a South Dakota Foreign Grantor Trust may be established as a “foreign” trust for U.S. tax purposes and therefore treated the same as an offshore trust, while availing itself of powerful U.S. trust laws. Failure of the “Court Test” or “Control Test,” as outlined by the IRS, will result in the trust being treated as a non-U.S. entity and therefore not subjecting it to U.S. taxation.

Since the trust is considered a South Dakota trust for legal purposes, the state’s industry leading dynasty trust, asset protection, and privacy laws may also be incorporated into the trust.

Host Company Services

Bridgefords Trust Company provides host company services, including back-office, clerical, and trust administration, to both public and private trust companies that elect to organize in South Dakota because of the state's sophisticated, progressive, and industry leading modern trust laws.

Our services can be tailored to meet specific needs of both private families and public entities and our team is highly qualified in our industry, already known and vetted by the South Dakota Division of Banking and familiar with the nuances of their requirements. Just a few of our host company services include:

- Charter application assistance and support services.
- Assistance with insurance and bonding requirements.
- Physical office space (including utilities).
- Registered agent.
- Annual Board compliance dashboard and tracking.
- Agendas and minutes for Board and Trust Committee meetings.
- Maintenance of the corporate books and records.



Non-Traditional Assets

We understand that trusts were not created just to hold liquid investible assets. To the contrary, they were created to hold and transfer various property interests in a tax efficient manner while maintaining control over assets for the benefit of beneficiaries. For this reason, trust planning and the ability to work with non-traditional assets in trust is clearly an essential component of overall wealth planning, particularly for affluent and ultra-affluent families.

As an independent trust company with access to one of the most progressive trust jurisdictions in the nation, Bridgeford Trust Company has the ability, desire, and infrastructure to work with non-traditional assets in trusts.

As part of our commitment to serve affluent families with unique wealth planning needs, we will explore holding the following non-traditional assets in trust:

- Real Estate (Commercial and Residential)
- Closely Held Stock
- Partnerships
- Captives
- Insurance
- Artwork
- Automobiles
- Cryptocurrency

"Multi-family offices with independent trust powers are far more flexible with regard to holding non-traditional assets and are both objective and creative in addressing the overall wealth management needs of the affluent."

Trust Administration

Bridgeford Trust Company offers full corporate trustee services, diligently and professionally performing all trust administrative functions in accordance with governing documents and prevailing fiduciary standards.

- Recordkeeping and Trust Accounting
- Custodial Services
- Income and/or Principal Distribution
- Non-Traditional Trust Assets (Closely Held Stock, Real Estate, Partnerships)
- Prudent Distribution of Trust Assets to Beneficiaries
- Individual and Fiduciary Tax Returns



Relying on South Dakota law, we provide a full range of third-party fiduciary services, including:

- Dynasty Trusts
- Community Property Trusts
- Incomplete Non-Grantor/Grantor Trusts
- Directed Trusts
- Business Trusts
- Trust Agency
- Private Label Trust/Fiduciary Services
- Irrevocable Life Insurance Trusts
- Insurance Premium Tax Planning: Trusts & LLCs/FLPs



"The choice of a state in which to establish a trust is as critical as the decision to create one."

South Dakota Advantage

The founders of Bridgeford Trust Company selected South Dakota, over other top-tier U.S. trust jurisdictions, because selecting the proper trust jurisdiction is as vital as the decision to create a trust in the wealth planning process. For a myriad of reasons, South Dakota has consistently been recognized as the most progressive and innovative dynasty trust jurisdiction.

South Dakota fiduciary law gives clients access to some of the most advanced asset protection and dynasty trust capabilities in the United States as well as the ability to hold non-traditional assets in trusts. In addition, South Dakota's confidentiality provisions and directed trust statutes are among the best in the country, allowing a client to confidentially work with financial advisors or investment managers of their choosing in the administration of trust assets while delivering tremendous direction and control back to settlors of trusts, beneficiaries, and their advisors.

Learn more about the South Dakota Advantage, including a chart comparing the leading top-tier U.S. trust jurisdictions, with a particular emphasis on areas that clearly distinguish South Dakota as the superior trust jurisdiction in the overall analysis at: **bridgefordtrust.com/situs**.

Bridgeford Family of Companies

While all trust administration and corporate governance functions at Bridgeford Trust Company are performed and executed through our two offices in South Dakota, education, planning, and marketing activity is coordinated through **Bridgeford Advisors dba Bridgeford** – a legally distinct sister company of Bridgeford Trust Company – with locations in California, Florida, Pennsylvania, and South Dakota as well as planned locations across the nation and around the world.

Bridgeford Global – an additional sister company of Bridgeford Trust Company headquartered in Miami, Florida – operates as the worldwide planning entity within the Bridgeford family of companies. As such, Bridgeford Global promotes the power of U.S. modern trust law and South Dakota-based fiduciary solutions in particular, through our sister company, Bridgeford Trust Company. Through strategic alliances with international service providers, Bridgeford Global can also provide offshore fiduciary and corporate services tailored to the needs of our non-U.S. clients. In addition, as a fully licensed insurance agency in the state of Florida, Bridgeford Global delivers sophisticated insurance solutions, including but not limited to Private Placement Life Insurance, to U.S. and non-U.S. clients.

Also a sister company of Bridgeford Trust Company, **Bridgeford Agency Services** is based in Sioux Falls, South Dakota and provides registered agent and domestic corporate services as well as host company functions for both private and public companies.

Educational Insights

Bridgeford Trust Company offers many avenues of information to keep advisors across the country and around the world updated on developments regarding modern trust law and to provide practical discussion on powerful planning opportunities available.

We encourage you to explore these educational insights below.

Bridgeford Blog: bridgefordtrust.com/blog

Delivering Direction and Control Podcast: bridgefordtrust.com/podcast

Educational Videos: bridgefordtrust.com/videos

Webinars: bridgefordtrust.com/webinars

Livestreams: bridgefordtrust.com/livestreams

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