**Special Needs Trust**

**Text Version of Service Introduction Video**

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（Staff A）　　（Staff B）　　 （Staff C）　　（Staff D）

A: It is said that a new service has just been launched in the rehabilitation field. As announced by the Chief Executive in the 2017 Policy Address, the Government has decided to steer the formation of the "Special Needs Trust" (SNT) to provide a reliable and affordable trust service. Have you heard about its background?

B: Yes. The SNT began to accept applications in March 2019. The Director of Social Welfare Incorporated acts as the Trustee of the SNT to manage the assets of deceased parents and, according to their wish, regularly disburse funds to individual or institutional carers of their children with special needs to ensure that the assets will continue to be used to meet the long-term daily needs of their children.

A: As such, who are eligible to join the SNT?

C: First of all, the Settlor must be a parent or relative of the person with special needs; aged 18 or above; not an undischarged bankrupt at the time of signing the Trust Deed; and a Hong Kong permanent resident.

D: As for the Beneficiary, he/she should be a person with intellectual disability, including Down's syndrome, mental disorder or autism; and a Hong Kong permanent resident who ordinarily resides in Hong Kong.

B: The carer is an individual or institution specified by the Settlor to be responsible for implementing the care plan of the Beneficiary.

A: Now I get it! How about the mode of service of the SNT?

C: No hurry. Let me explain it carefully in detail. The service primarily consists of

2 stages and 4 steps. The 2 stages are defined as "while the Settlor is alive" and "after the death of the Settlor", while the 4 steps are setting up a trust, and activation, administration and termination of the account.

D: In Step 1, staff of the SNT Office will discuss with the parents the long-term care plan of their children with special needs, draw up the estimates of relevant expenses and a list of carers. The parents are required to sign a Trust Deed in the presence of a lawyer, submit a Letter of Intent and a Care Plan and make a Will giving instructions on the transfer of their assets to the SNT account after their death.

B: It is worth mentioning that when setting up a trust account, the parents must have an amount no less than the financial limit of the monthly living expenses set by the Guardianship Board for 12 months plus the annual fee for the first year ready for the "First Payment".

A: Please note that before the trust account is activated, the Trustee will neither charge any annual fee.

D: So what is the purpose of the "First Payment"?

C: In Step 2, when the SNT Office is notified of the death of a parent, the Trustee will activate the trust account and begin to charge annual fees. At the same time, the executor will, as specified in the Will, make cash transfers from the parents' estate to the SNT account. This is known as "Further Payment".

Before receipt of the "Further Payment", the SNT Office will disburse the "First Payment" for the carer to implement the care plan. Therefore, the "First Payment" is crucial.

A: By the way, after the death of the Settlor, the Trustee may receive donations from any person. Each donation must be no less than an amount equivalent to the financial limit of the monthly living expenses set by the Guardianship Board for 6 months. Regardless of the amount of donation, however, the Beneficiary's care plan cannot be amended.

D: In Step 3, the SNT Office will follow the instructions laid down in the Trust Deed and the Letter of Intent to disburse funds to the carer and review the implementation of the care plan regularly. The SNT Office will also pool funds from different trust accounts to make investment and allocate investment gains or losses to individual trust accounts on a pro rata basis.

B: For the final step "termination of the account", under a number of circumstances, such as death of the Beneficiary; exhaustion of funds in the trust account; or when the Beneficiary no longer ordinarily resides in Hong Kong, the trust account will be terminated. If necessary, the SNT Office will make referrals for the Beneficiary to receive suitable welfare services.

C: When setting up a trust account, parents should provide key documents including the Trust Deed, the Letter of Intent and Care Plan, and a copy of the Will (clauses related to the SNT). With these documents and the First Payment ready, it will be so easy to apply for a trust account.

B,C,D: We have specially produced a set of service leaflet, application guidebook and easy-to-read booklet to provide further information about the SNT.

A: Let me give you another tip. Those interested to learn more about the SNT are welcome to call the SNT Office at this number or visit this website. For enquiries, please do not hesitate to contact us.

A,B,C,D: Goodbye!