

# Trust in planning for a rainy day

Poly lecturer sets aside money in a trust for son who has Down syndrome



PHOTO: COURTESY OF TAN FAMILY

A family photo of the Tans celebrating the 10th birthday of David (front), who is now 13. By using a trust structure, Mr Tan believes he will relieve the burden on the eventual caregiver of his son of having to deal with a large sum of money.

**Magdalen Ng**

It is never too early to plan for a rainy day, says polytechnic lecturer Tan Beng San, especially when it has to do with his younger son David, 13, who has Down syndrome.

"Some of my friends tell me they will think about it when they are going to 'go', but if death is sudden, you won't even be there to set anything up," said the 52-year-old.

Together with his wife Mary, 50, a housewife, he puts aside at least a few thousand dollars a year in a trust he set up, which is managed by the Special Needs Trust Company.

The money in the trust offers a return that is better than if he were to deposit the amount into a savings account at a bank.

"I'm not an investor, so I don't think I can do better than the Public Trustee. But there may be others who feel like they can and would rather invest their own money," he said laughingly.

Part of the monies in his Central Provident Fund account and insurance policies will also go towards the trust.

By using a trust structure, Mr Tan believes he will relieve the burden on the eventual caregiver of his son of having to deal with a large sum of money.

"Let's say I leave \$500,000 for David, and I appoint my sister or my older son, Daniel, to take care of him. What should they do with the money? It is a big responsibility," he said.

Also, while he believes Daniel, 14, will take care of his younger brother, he knows the older boy will need to have his own life.

Mr Tan thinks that one good thing about the SNTC trust is that it includes a structured care plan that spells out how David is to be cared for; Mr Tan and his wife can review the plan yearly with SNTC.

"At least I know that someone will be checking on how David is doing, and the fees that the SNTC is charging are really low.

"In a way, SNTC and the Public Trustee are doing this out of goodwill, and I know our son will be well taken care of when we are no longer around," he said.

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## Making sure that daughter will be cared for

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your relatives for help and pass them your money, but how do you know that the money is going to the child? At the end of the day, other people have their own needs, and life is hard.

"A trust will be an advocate for the child. It will require receipts from the guardian, it will provide a check.

"The money will be given out ac-

ording to what I have planned for her."

Dr Joseph hopes that Ms Dulay, 32, will be able to continue caring for Sarah-Jane.

Over the lunch interview, he candidly told her: "There will be enough money to pay you for the next 30 years. So I hope you can take care of her."

Having a private trust was not an option for Dr Joseph, because of

the sum of money that would have been involved in setting it up.

He said: "I have some private banker friends, and they said that I would have to put in about \$2 million.

"I don't have that amount of money.

"But we are comfortable, and I try to save as much as I can, so that my daughter won't be left in the lurch."

Magdalen Ng