



PERSONAL INJURY TRUST FACT SHEET

▼ INTRODUCTION TO PERSONAL INJURY TRUSTS

If you have sustained a personal injury, and as a consequence have not been able to work, you may need to rely on state help by claiming benefits. Many benefits are means tested, the result of which is that when your compensation is paid to you, your benefits will cease if the compensation takes you over the current minimum capital allowance. It could also affect your spouse/civil partner's entitlement to benefits. Your loss of benefits may not coincide with you recommencing work, consequently leaving you no better off. The purpose of this information sheet is to explain how you can safeguard your hard-fought compensation for the future. In short, you do this with a Trust.

Even if your injury has not resulted in you claiming benefits, you may in the future need state help to which you will not be entitled if your savings are too high.

▼ WHAT IS A TRUST?

Think of a Trust as resembling a bank account into which your compensation is paid. The people who manage the Trust are called Trustees who are bound by very strict legal and investment rules about how they manage the fund in their care.

The management of the compensation will involve:

- Investing your compensation to provide you with an income
- Investing the compensation to obtain some capital growth
- Deciding how and when to pay the compensation to you to enhance your quality of life
- Sorting out any tax affairs

▼ WHO SHOULD BE MY TRUSTEES?

We recommend two Trustees – you cannot be a trustee. You can choose your family and/or friends, but the likelihood is that they will need professional help to manage the Trust. You can opt to appoint as Trustees two of the partners in this firm.

▼ WHEN SHOULD I SET IT UP?

You have up to 12 months in which to decide whether or not to protect your compensation through a Personal Injury Trust **BUT** this 12-month period starts from the day you receive any compensation, even if the payment is an interim one.

Please note that:-

1. You and/or your spouse or civil partner retain:-
 - Existing benefits and
 - Your right to future means tested benefits
2. You choose your trustees – who are there to look after you
3. You are entitled to be paid the income - no one else can benefit
4. Capital can be invested for your future (and for your family) with a view to the value increasing over the years
5. You cannot fritter the capital away because it is managed for you
6. The trust gives you security should you need money for a rainy day
7. Your compensation is protected if you
 - Divorce
 - Become bankrupt or insolvent
 - Need long term care

We will be glad to help at every stage of the process. Please feel free to contact either Dawn Parkes, Rosemary Escott or Colin Cook for a free initial discussion over the telephone, entirely without obligation. They will be delighted to hear from you.

HOW MUCH WILL IT COST?

The Initial set up costs will include:

- Preparation of a document to record that the Trust exists
- Telling the Inland Revenue and/or the local authority/benefits agency that the Trust exists
- Taking investment advice from an independent financial adviser and/or stockbroker

Our charges (plus VAT) are in each case as follows:

For a settlement of:

under £20,000 = £500-£650
 £20,001 to £100,000 = £1000
 £100,000 and over = £1500

Yearly Management will include:

- Filing an income tax return
- Reviewing your investments and taking further advice as necessary
- General management

The costs depend upon the type of Trust you need, which in turn depends upon the nature of any benefits you receive.

A quote can be given to you when these parameters are assessed and will be reviewed on a regular basis and agreed with you.



DENCORA HOUSE

We have a well established Civil Litigation department at Hatch Brenner which is headed by Rosemary Escott, partner. For Personal Injury cases we can offer a free initial consultation when we can advise on a range of funding options (including no win — no fee) ensuring each individual client's circumstances are taken into account. We also have specialist legal advisers dedicated to providing an efficient and comprehensive service covering a wide range of commercial disputes including arbitration/mediation/ADR, County and High Court litigation.



4 THEATRE STREET

The role of the private client department may cover a wide range of tax and legal issues, and when appropriate it is able to draw upon the expertise of other departments within the firm. A major aspect of the department's work involves safeguarding the wealth or assets of private clients, and ensuring that those assets are passed on in accordance with the client's wishes.



Dawn Parkes

Partner at Hatch Brenner since 1991, and head of the probate department. Handles all aspects of wills, probate, trusts and tax planning. Previously specialised for many years in matrimonial matters. Dawn was educated at King Edward VI Grammar School, in Lincolnshire, and studied Law at the University of East Anglia. She holds the Society for Trust and Estate Practitioners' certificate. Leisure interests include reading, badminton, food, and holiday travel.
 Contact Tel: 01603 674516



Rosemary Escott

Head of Civil Litigation Department. Rosemary is a Personal Injury specialist in fatal and serious injury claims, arising out of road traffic accidents, accidents at work, clinical negligence and sexual abuse. Member of the Law Society's Specialist Personal Injury Panel since 1995.
 Contact Tel: 01603 214213

Mark Fitch

Experienced in a wide range of disputes; enjoys particularly professional negligence claims, contested probate matters and claims against the police. He qualified as a mediator in 2005 becoming one of the youngest members of the Mediators in East Anglia Group.
 Contact Tel: 01603 214255



Colin Cook

Colin was previously a partner at a firm in Chancery Lane in London where he dealt with a wide range of personal injury claims for both Claimants and Defendants.



He deals with all aspects of personal injury including road traffic accidents, accidents at work, criminal injuries, trips and slips. He is an Accredited Senior Litigator of the Association of Personal Injury Lawyers.
 Contact Tel: 01603 214254

John Cushing

John is well-placed to assess landlord and tenant claims from both perspectives, having acted for either side in a vast number of possession actions, rent collection matters and damages claims. He also deals with other property-related matters including boundary and neighbour disputes, building disputes, and professional negligence claims. He is highly experienced in debt collection, and regularly appears before the district judges in the local county courts.
 Contact Tel: 01603 214251



Caroline Billings

Joined Hatch Brenner's private client department in 2009, and specialises in wills, probate, trusts, tax - planning, enduring and lasting powers of attorney, and Court of Protection matters. She studied at the College of Law, York, and subsequently qualified as a solicitor in 2004 after completing her training contract in Bury St Edmunds and Ipswich. Caroline is a member of the Society of Trust and Estate Practitioners (STEP). She arrived at Hatch Brenner from a Suffolk-based firm, and has spent all of her working life in East Anglia.

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