

Chapter 1 : Can an Irrevocable Trust Be a Grantor Trust? | LegalZoom Legal Info

The trust is the same, but the precipitating factors can be vastly different. When considering collaborative relationships, the four most common elements needed to develop trust are competence.

Yes, there are instances where trust can take a long time to build, such as relationships that have infrequent interactions or where one or both of the parties are trust-averse and uncooperative with each other, but in many cases trust is established quickly. Trust can be built very quickly. Trust is lost in a second – This is the companion to myth 1. One party keeps making withdrawals from the trust account of the other party until eventually they start bouncing checks. Trust, true trust that has stood the test of time, is extremely resilient. They are probably ones that have endured their fair share of trust-busters, and yet because of the high level of trust between the parties, they addressed the challenging situations and moved beyond them in ways that continued to sustain and reinforce the trust between them. You know what I mean, the group hug, hold hands, and sing kumbaya kind of soft. Well, trust is anything but soft. Trust has hard, bottom-line impacts to people and organizations. The truth is trust is built through the use of very specific behaviors that can be taught, learned, and practiced. Learn the specific elements of trust and how you can use their associated behaviors to become more trustworthy and develop high-trust relationships. Distrust is the opposite of trust – On the surface this seems to make sense, right? If we have a spectrum with trust on one side, then distrust must be on the other. Actually, the opposite of trust is control. Staying in control means less risk, and risk is required when trusting someone. Without risk there is no need for trust and trust requires that you give up control to one degree or another. Trust is all about integrity – Integrity is one of the four core elements of trust and most people identify it as being the most important when it comes to building trust. However, integrity is just one of the building blocks of trust. People who have expertise, a proven track record, and are effective at what they do inspire trust. A third element of trust is connectedness, showing care and concern for others by building rapport, communicating effectively, and demonstrating benevolence. Finally, the fourth element of trust is dependability. You build trust when you are reliable, accountable, and responsive in your actions. Many times we accept myths as truths because on the surface they seem pretty reasonable. But when you dig a little deeper, you begin to see that trust is not quite as simple as we make it out to be. Please take the time to share by leaving a comment.

Chapter 2 : A Huge List of Common Themes - Literary Devices

November Notes Wills and Trusts. 8 Elements that you must satisfy for a valid trust: Intent. Capacity. Statute of Frauds. Legal purpose to trust. Trust must contain property.

They may not share information, they might battle over rights and responsibilities, and they may not cooperate with one another. However, when trust is in place, each individual in the team becomes stronger, because he or she is part of an effective, cohesive group. When people trust one another, the group can achieve truly meaningful goals. So how can you, as a leader, help your team to build the trust that it needs to flourish? The Importance of Trust One definition describes trust as a "reliance on the character, ability, strength, or truth of someone or something. Trust means that you rely on someone else to do the right thing. Trust is essential to an effective team, because it provides a sense of safety. When your team members feel safe with each other, they feel comfortable to open up, take appropriate risks, and expose vulnerabilities. Trust is also essential for knowledge sharing. Lead by Example If you want to build trust within your team, then lead by example , and show your people that you trust others. This means trusting your team, your colleagues, and your boss. Never forget that your team members are always watching and taking cues from you – take the opportunity to show them what trust in others really looks like. Keeping your promises is incredibly important in a virtual team, because your word is often all you can give. Communicate Openly Open communication is essential for building trust. You need to get everyone on your team talking to one another in an honest, meaningful way, and you can use several strategies to accomplish this. Present this charter at the first team meeting, and encourage each team member to ask questions, and discuss his or her expectations. Next, consider organizing team building exercises. When chosen carefully and planned well, these exercises can help "break the ice" and encourage people to open up and start communicating. This is where psychometric instruments such as Myers-Briggs Personality Testing and the Margerison-McCann Team Management Profile can help people understand and appreciate those that they work with, even when these people have quite different approaches. It also creates opportunities for team members to talk, and to help one another solve problems. Finding This Article Useful?

Chapter 3 : Common heritage of mankind - Wikipedia

The Elements of a Trust Special Needs Trusts: The National Conference However, common law makes it clear that a trust must have trust property.

The Nature of Trust and Trustworthiness Trust is an attitude that we have towards people whom we hope will be trustworthy, where trustworthiness is a property, not an attitude. Trust and trustworthiness are therefore distinct although, ideally, those whom we trust will be trustworthy, and those who are trustworthy will be trusted. For trust to be warranted i. Moreover, for trust to be warranted i. Trusting requires that we can, 1 be vulnerable to others vulnerable to betrayal in particular ; 2 think well of others, at least in certain domains; and 3 be optimistic that they are, or at least will be, competent in certain respects. Each of these conditions for trust is relatively uncontroversial. Controversy surrounds this last criterion, because it is unclear what, if any, sort of motive we expect from people we trust. Likewise, it is unclear what, if any, sort of motive a trustworthy person must have. But this person may also have to be committed in a certain way or for a certain reason e. This section explains these various conditions for trust and trustworthiness, and focuses in particular on the controversy that surrounds the condition about motive. One important criterion for trust is that the trustor can accept some level of risk or vulnerability Becker One must be content with them having some discretionary power or freedom Baier ; Dasgupta Hence, one cannot reject being vulnerable. A related condition for trust is the potential for betrayal and, as noted below, the corresponding condition for trustworthiness is the power to betray. In her view, disappointment is the appropriate response when one merely relied on someone to do something, but did not trust him or her to do it. For, while their reliance could be disappointed, it could not be betrayed. Consider that one can rely on inanimate objects, such as alarm clocks; but when they break, one is not betrayed, although one may be disappointed. Reliance without the possibility of betrayal is not trust. Thus, people who rely on one another in a way that makes betrayal impossible do not trust one another. People also do not, or cannot, trust one another if they are easily suspicious of one another Govier , 6. Paradigmatically, trust involves being optimistic, rather than pessimistic, that the trustee will do something for us or for others perhaps , which is in part what makes us vulnerable by trusting. Someâ€”including Jones in her later work on trustâ€”argue that optimism about the trusted person is present in typical instances of trust, but not in all instances of it Jones , McGeer , Walker cited in McGeer. Therapeutic trust is unusual in this respect and in others which will become evident later on in this entry. The rest of this section deals with usual rather than unusual forms of trust and trustworthiness. Without being confident that people will display some competence, we cannot trust them. We usually trust people to do certain thingsâ€”for example, to look after our children, to give us advice, or to be honest with usâ€”but we would not do so if we thought they had none of the relevant skills including moral skills of knowing what it means to be honest or caring; Jones , 7; McLeod , Rarely, if ever, do we trust people completely i. A simply trusts B. When we trust people, we are optimistic not only that they are competent to do what we trust them to do, but also that they are committed to doing it. One can talk about this commitment either in terms of what the trustor expects of the trustee or in terms of what the trustee possesses: Although both the competence and motivational elements of trustworthiness are crucial, the exact nature of the latter is unclear. For some philosophers, it matters only that the trustee is committed. The central problem of trustworthiness in their view concerns the ongoing commitment of the trustee, and in particular, under what circumstances, if any, one could expect such a commitment from another person see, e. By contrast, for other philosophers, an ongoing commitment from another person is not sufficient for trustworthiness; according to them, the origins of the commitment matter, not just its existence or duration. The central problem of trustworthiness for these philosophers is not just whether but also how the trustee is motivated to act. Some motives are simply incompatible with trustworthiness, on this view. To determine which view is correct, we need to consider different possible motives that could underlie trustworthy behavior. In an effort to be trustworthy, people can subject themselves to social constraints, as someone does when she publicly declares her intention to lose weight, putting herself at risk of public censure if she fails. Alternatively, the trustor in a relationship can

introduce the constraints by requiring that the trustee sign a contract, for example. The constraint imposed could be the primary motivation for being trustworthy. It would compel on ongoing commitment grounded in self-interest. While social constraints can shore up trustworthiness, they cannot account for trustworthiness altogether. For, if they could, then the following sort of person would be trustworthy: These theorists may distinguish mere reliability from trustworthiness on the grounds that people known or considered to be trustworthy have the power to betray us, whereas people known or considered to be merely reliable can only disappoint us. Holton The female employees might know that their employer treats them well only because he fears social sanctioning. In that case, he could not betray them, although he could disappoint them. And if that were true, he would not be trustworthy for them. An alternative to the social contract view is a view according to which trustworthy people are motivated by their own interest to maintain the relationship they have with the trustor, which in turn encourages them to encapsulate the interests of that person in their own interests. However, it too is problematic. To see why, consider how it applies to the sexist employer. He is not motivated by an interest to sustain his relationships with female employees: He is therefore not trustworthy. Imagine, however, that he did have an interest in maintaining these relationships and as a result he treated the women well, yet his interest stemmed from a desire to keep them around mainly so that he could daydream about having sex with them. Hence, he remains a sexist employer. To satisfy this interest, he would have to encapsulate enough of their interests in his own to keep the relationships going. But is he trustworthy? My point here is that being motivated by a desire to maintain a relationship the central motivation of a trustworthy person on the encapsulated interests view may not require one to adopt all of the interests of the trustor that would actually make one trustworthy to that person. In the end, like the social contract view, the encapsulated interests view might describe only reliability, not trustworthiness. According to them, people trust other people whenever they assume that the risk of relying on other people to act a certain way is low “because it is in the self-interest of these people to act that way” and so they rely on them. Self-interest determines trustworthiness on these accounts. Risk-assessment theories in general are popular among rational decision theorists and social contract theorists who presume that people are naturally self-interested. This view originates in the work of Annette Baier and it is influential, even outside of moral philosophy. According to it, a trustee who is actually trustworthy will act out of goodwill toward the trustor, to what or to whom the trustee is entrusted with, or both. While proponents of risk-assessment views would likely find the goodwill view too narrow “surely we can trust people without presuming their goodwill! To summarize those criticisms: As we have seen, such caring appears to be central to a complete account of trustworthiness. The particular reason why care is central is that it allows us to distinguish between trust and mere reliance. I have said the two differ, putatively, because only the former can be betrayed. But why is that true? Why can trust be betrayed, while mere reliance can only be disappointed? The answer Baier gives is that betrayal is the appropriate response to someone on whom one relied to act out of goodwill, as opposed to ill will, selfishness, or habit bred out of indifference.”⁵ Those who say trusting could involve relying on people to act on any of these motives cannot distinguish trust from reliance. Examples are risk-assessment theorists, who, again, make trustworthiness a matter of self-interest. Although self-interest as a motive is compatible with goodwill toward others, it is also compatible with ill will and selfishness. Criticisms have been made of it that suggest goodwill is neither necessary nor sufficient for trustworthiness. It is not necessary, some say, because we can trust other people without presuming that they have goodwill. Although they are problematic, risk-assessment accounts do have their merits. For example, they seem to make better sense of trusting that strangers will be morally decent toward us, which presumably can occur without assuming that strangers feel goodwill toward us. One could make sense of trust in strangers without adopting a risk-assessment view, however, or in other words, without assuming that self-interest would be the motive of the trustworthy stranger. For example, I could trust a stranger to be decent simply by presuming that he is committed to common decency. Ultimately, what I am presuming about the stranger is moral integrity, which some say is the relevant motive for trust relations. McLeod,²¹ Others similarly identify this motive as moral obligation, and say it is ascribed to the trustee by the very act of trusting him or her. Nickel; and for a similar account, see Cohen and Dienhart. As well as being unnecessary, goodwill may not be sufficient for trustworthiness for three reasons. Hence, Zac

Cogley claims that trust involves the belief not simply that trustees will display goodwill but that they owe it to us. Second, basing trustworthiness on goodwill alone cannot explain unwelcome trust. When people do not welcome your trust, they object not to your optimism about their goodwill who would object to that? Third, you can expect people to be reliably benevolent toward you without trusting them Jones, You can think that their benevolence is not shaped by the sorts of values that, for you, are essential to trustworthiness. In much of the discussion above, it is narrowly conceived so that it must involve friendly feeling or personal liking. Yet Jones urges us in her earlier work to understand goodwill so that it could be grounded in benevolence, conscientiousness, or the like, or in friendly feeling, 7. In her later work, however, she worries that by defining goodwill so broadly we "turn it into a meaningless catchall that merely reports the presence of some positive motive, and one that may or may not even be directed toward the truster", If this claim is correct, and the narrow understanding of goodwill is indeed too narrow, then will-based theories are in serious trouble. To recapitulate on the topic of motive, although will-based theories are influential, they are still open to substantial criticisms. Philosophers who are less concerned with distinguishing trustworthiness from reliability reject such accounts on the grounds that they are too narrow. By contrast, those who think this distinction is important follow Baier in identifying the relevant motive as goodwill e. Potter; or combine reliance on goodwill with certain expectations Jones, including in one case a normative expectation of goodwill Cogley; or abandon the goodwill requirement altogether and replace it with something else, such as moral integrity or moral obligation. Notably, the majority of views discussed so far describe trustworthiness as a relation between the trustee and some attitude, commitment, or structuring condition e. Although this view has garnered positive attention e. Margaret Urban Walker explains that in taking a participant stance toward others, we hold them responsible,

Chapter 4 : Mind Body Soleil

Myth #4: Trust is soft "One of the most common myths I encounter, particularly from senior leaders, is that trust is a "soft" interpersonal issue. You know what I mean, the group hug, hold hands, and sing kumbaya kind of soft.

A trust is a fiduciary relationship with respect to specific property, to which the trustee holds the legal title for the benefit of one or more persons, who hold equitable title as beneficiaries. Thus, two forms of ownership interests—legal and equitable—exist in the same property at the same time. The subject matter of a trust or will. The interest the trustee holds for the beneficiaries. Settlor aka trustor, donor, transferor, grantor, testator: The settlor is the person who creates the trust, either by inter vivos transfer or by will. The trustee is the person or entity e. Beneficiary cestui que trust: A beneficiary is a person for whose benefit the trust property is held by the trustee. A person or institution who manages money or property for another and who must exercise a standard of care in such management activity. Words that express desire, wish or recommendation; ineffective to dispose of property. The possibility of a right to the future enjoyment of property, at present in the possession or occupation of another. A remainder limited as to depend upon an event or condition which may never happen or be performed. Principle that certain interests in property are not valid unless they must vest, if at all, not later than 21 years after some life or lives in being at time of creation of interest. The voluntary and complete transfer of property from one person to another. Trusts have been used in estate planning to avoid the probate process, which can be time consuming and expensive. In addition, trusts can be used to secure certain tax advantages. Lastly, trusts are an effective tool of property management, including transferring property to minors or individuals not responsible enough to manage the property without oversight. Yvonne wants to transfer the family home to her children who are minors; she does not want them to hold legal title until they reach age 21. To solve this problem, Yvonne can transfer title of the home to a trustee to hold and manage the property until her youngest child reaches age 21, at which time the property will be conveyed to her children. The usual elements of a trust are: Intent It is essential to the creation of an express trust that the settlor unequivocally manifests the specific intention to create the trust with respect to some particular property. De Leuil, 74 S. This intent can be expressed by words, conduct, or both. Furthermore, the mere presence of such words does not make it certain that a court will automatically find the requisite intent to create a trust. Paula sues Douglas for an accounting i. The court held that a valid trust was created and Douglas must account for the funds. Even though there was no express language indicating that the transfer was a trust, it was enough that the transfer was made to Douglas with intent to vest beneficial ownership in Paula. A settlor must intend to impose a legally enforceable obligation on the trustee to use the designated property for the benefit of another. A trustee cannot have uncontrolled freedom with respect to the use of the trust property but must be required to manage it for another. Other requirements are that the trust must be intended to take effect immediately, not at some time in the future and the settlor must clearly describe the elements required for a trust. Treasury Bonds, tells Giorgio that he intends on the following day to transfer the bonds to Giorgio in trust for Jody. No trust arises until the transfer is made to Giorgio because a trust requires a present legal transaction rather than a future one. Trusts that are to be created by will are effective despite the fact that they are not intended to take effect until the testator dies. There is an expressed present intention to create a trust at the time the transfer occurs and the time at which the will becomes operative i. The property can be tangible or intangible e. In contrast, an interest that has not yet come to fruition i. A trust ends with the destruction of trust property. No trust is created here because Audrey does not currently have the property. To effectively create a trust, the property must exist at the time of the transfer; a mere expectancy is insufficient. An exception to this rule is if there is consideration involved. When the assets are actually acquired, the contract can be specifically enforced even if the settlor has changed his or her mind. At common law, certain future interests e. Today, however, in most states all future interests are freely alienable transferable and may be placed in trust. Lastly, the trust res must be specific property that is actually identified or is described with sufficient certainty that it is identifiable. This is also known as segregating the property. Charmaine decides to establish a trust. Given the fact that the trust res must be existing property on the date of the declaration of trust, it is possible to

include only a fractional interest in the trust, if that is all the settlor has at the time. For instance, if the settlor only owns a one-third interest in a building, that one-third interest can become the trust res. Commissioner of Internal Revenue, U. Parties to the trust settlor, trustee, beneficiaries There are three parties to a trust: The settlor is the person who owns property and uses that property to create a trust for the benefit of someone else. The settlor must have the legal capacity to create a trust, as measured by the same standards used to determine testamentary capacity to execute a will. As a reminder, testamentary capacity involves being of legal age and sound mind to make a will, which involves a testator understanding the nature, extent and value of his property, knowing the natural object of his bounty i. When the trust is created, the settlor no longer has legal title in the property. Chase Manhattan Bank, App. Commercial Bank, P. The trustee, the recipient of legal title to the transferred property, also must meet certain qualifications to serve in that capacity. Generally, anyone who has the capacity to acquire or hold title to the particular property for his or her own benefit also has the capacity to receive the property as trustee. In addition, the trustee must have the capacity to administer the trust, thereby excluding minors and mentally disabled persons. The trustee can be a person or an entity, such as a domestic corporation or partnership. Also, more than one person can be a trustee; each serving as co-trustees. If one is disqualified from serving, only the other co-trustee has the authority to act. If any problem arises with the proposed trustee, such as failing to qualify or declining the appointment, a court of equity will appoint a trustee and the trust will not fail for lack of a trustee. Randall, by will leaves certain land in trust for his daughter, Gabrielle. He named his sister as the trustee; however, she died three years ago. To save the trust, the court will appoint a trustee to administer the trust and will order the person having legal title to the property to convey it to the appointed trustee. Interfirst Bank, S. To resign, the trustee needs court permission, unless the trust agreement contains such an option. A court may remove a trustee for numerous grounds, such as dishonesty, incompetence in handling of trust property or dissipation of the trust estate. Serving in a dual role, the settlor of the trust may also be the trustee. For beneficiaries who may want to also serve as the trustee, the rules are more complicated. For example, the sole beneficiary cannot be the sole trustee. In this instance, one person would hold both legal and equitable title to the property, causing a merger to take place i. Instead, the sole beneficiary can be one of two or more trustees. Furthermore, if there is more than one beneficiary, one can be the sole trustee. Norfolk Southern Railway, 29 S. Eugene creates a trust, naming his two siblings, Merrill and Liv as the trustees. Liv is also a beneficiary of the trust. As joint trustees, Merrill and Liv hold the title to the trust property as tenants in common, so there is no merger of their interests. The last crucial party to a trust is the beneficiary. In every private trust there must be a specifically named beneficiary or a beneficiary so described that his or her identity can be ascertained when the trust is created or within the period of the Rule of Perpetuities see below. The beneficiary can be a natural person, corporation or class of persons. As long as an entity has the capacity to take and hold legal title to property, it has the capacity to be the beneficiary of a trust. In the case of a class of persons, the class must be readily ascertainable. Here, the class is definite because the identity of her children is readily ascertainable. Conversely, if the court took an expanded view and also included all her relatives, the trust would probably fail for lack of a definite class of beneficiaries. Where a private trust fails for lack of a beneficiary, there is a resulting trust discussed later in this chapter in favor of the transferor, his heirs or other successors in interests. Terms Terms of the trust determine the duties and powers of the trustees and rights of the beneficiaries, as intended by the settlor at the time the trust was created. As such, Peggy has the duty to pay the income to Ricki and Ricki has an enforceable right to such income. As such, this section provides a brief review of the Rule, since it does have impact on the trusts area. The Rule was developed to prevent people from controlling property from too remote a position. Traditionally, the Rule applied to nonvested future interests. Specifically, the Common Law Rule stated: An interest is not valid unless they must vest, if at all, no later than 21 years after some life in being at the creation of the interest. The rule only applies to certain interests, i. It is not sufficient that the interest does in fact vest or fail within the time period. Rather, it must be ascertainable at the time of the creation of the interest that there is not even the remotest possibility that it will not vest or fail within such time. LeBron devises his estate to such children of his sister, Raquel, as attain the age of 30 years old.

Chapter 5 : 4 Elements of Trust Needed for Successful Collaboration – SitePoint

A trust is a fiduciary relationship with respect to specific property, to which the trustee holds the legal title for the benefit of one or more persons, who hold equitable title as beneficiaries.

Trust- Overview "Trust is a peculiar resource; it is built rather than depleted by use. The breadth of this literature offers rich insight, and this is noted in the common elements that appear in the definition of trust. For example, Rousseau and her colleagues offer the following definition: The need for trust arises from our interdependence with others. We often depend on other people to help us obtain, or at least not to frustrate, the outcomes we value and they on us. As our interests with others are intertwined, we also must recognize that there is an element of risk involved insofar as we often encounter situations in which we cannot compel the cooperation we seek. Therefore, trust can be very valuable in social interactions. Trust has been identified as a key element of successful conflict resolution including negotiation and mediation. This is not surprising insofar as trust is associated with enhanced cooperation, information sharing, and problem solving. Origins and Development of Trust Armed with a definition of trust and a description of the benefits it brings, we now turn to examine its origins and development. Theory on the origins of interpersonal trust has proceeded broadly along three fronts: Individual propensity to trust Personality theorists have developed one of the oldest theoretical perspectives on trust, and argued that some people are more likely to trust than others. Viewed as a fairly stable trait over time, trust is regarded as a generalized expectancy that other people can be relied on. While this expectancy shapes perceptions of the character of people in general, more recent work has identified the characteristics of trustees that allow for the formation of trust and its growth to higher levels. That is, the more we observe these characteristics in another person, our level of trust in that person is likely to grow. This dimension recognizes that trust requires some sense that the other is able to perform in a manner that meets our expectations. Integrity is the degree to which the trustee adheres to principles that are acceptable to the trustor. Benevolence is our assessment that the trusted individual is concerned enough about our welfare to either advance our interests, or at least not impede them. Although these three dimensions are likely to be linked to each other, they each contribute separately to influence the level of trust in another within a relationship. The effect of benevolence will increase as the relationship between the parties grows closer. The next section describes trust development in relationships in more detail. Levels of trust development Early theories of trust described it as a unidimensional phenomenon that simply increased or decreased in magnitude and strength within a relationship. This is the primary perspective we adopt in the remainder of these essays. At early stages of a relationship, trust is at a calculus-based level. In other words, an individual will carefully calculate how the other party is likely to behave in a given situation depending on the rewards for being trustworthy and the deterrents against untrustworthy behavior. Trust will only be extended to the other to the extent that this cost-benefit calculation indicates that the continued trust will yield a net positive benefit. Over time, calculus-based trust CBT can be built as individuals manage their reputation and assure the stability of their behavior by behaving consistently, meeting agreed-to deadlines, and fulfilling promises. CBT is a largely cognitively-driven trust phenomenon, grounded in judgments of the trustees predictability and reliability. However, as the parties come to a deeper understanding of each other through repeated interactions, they may become aware of shared values and goals. This allows trust to grow to a higher and qualitatively different level. When trust evolves to the highest level, it is said to function as identification-based trust IBT. They understand what the other party really cares about so completely that each party is able to act as an agent for the other. Trust at this advanced stage is also enhanced by a strong emotional bond between the parties, based on a sense of shared goals and values. So, in contrast to CBT, IBT is a more emotionally-driven phenomenon, grounded in perceptions of interpersonal care and concern, and mutual need satisfaction. These violations result in lower subsequent trust, and may reduce the extent to which victims of these violations cooperate with the offender. Research within organizations has shown that trust violations stifle mutual support and information sharing, and even exert negative effects on organizational citizenship behaviors, job performance, turnover, and profits. The experience of a trust violation is likely to

result in the trustor making 1 a cognitive appraisal of the situation and 2 experiencing a distressed emotional state. We proceed to consider how violations damage interpersonal trust. In some cases, a single trust violation may seriously damage or irreparably destroy trust. In other cases, one trust violation may not be that damaging when considered in isolation. Rather, a pattern of violations may be needed to create serious damage to the relationship. In other words, not all trust violations are created equally. We will broadly refer to this extent of harm as the Offense Severity, and note that as it increases, it is likely to be met with more active and extreme responses by the trustor victim, and signal greater harm to interpersonal trust. For example, minor offenses may be met with simply a reduced level of trust. That is, one may have simply lower trust in another in a given context. The victim will be motivated to avoid transactions with the trustee offender in the future, and to withhold further support and cooperation. In situations where the relationship cannot be terminated e. These are relatively passive approaches to low trust management strategies -- i. Serious offenses harm trust severely, often to the point of complete destruction. These serious offenses may also stimulate the rapid growth of distrust. Offense Severity exists along a continuum from low to high. Offenses can be severe in several ways: Magnitude of the offense. The magnitude of the offense is an indication of the seriousness of consequences incurred by the victim. To illustrate, when a dry cleaner loses an old shirt you were planning to replace soon anyway, this may be viewed as a trivial violation of your trust in the dry cleaner. However, it will be much more than a mere nuisance if that dry cleaner damaged a brand new, expensive suit! Number of prior violations. When there is a clear pattern of prior trust violations, even if they are each relatively minor when viewed in isolation, the overall pattern may be deemed a serious breach. However, when there are few past violations, any given trust violation may be viewed as the exception rather than the rule. Specific dimension of trust that was violated. Examples may include intentional deception, purposefully renegeing on a promise or obligation, and rude, disrespectful treatment. Because the relationship itself is the basis for IBT, and because such a major emotional investment goes into creating and sustaining it, the parties are relatively more motivated to maintain them. IBT relationships can become rather resilient to trust violations as long as the violations do not challenge the underlying basis of the relationship. However, when the basis of an IBT relationship becomes called into question by a trust violation e. Rebuilding Trust Despite the assertions of some scholars that broken trust cannot be repaired, we draw on recent research indicating a more optimistic view. However, we caution that rebuilding trust is not as straightforward as building trust in the first place. After trust has been damaged, there are two key considerations for the victim: After a trust violation and the cognitive and affective fallout that ensues, the first critical question is, is the victim willing to reconcile? If the victim believes that the violator will not make efforts at righting the wrongs and minimizing future violations, the victim has no incentive to attempt reconciliation and restore trust. Let us first clarify the distinction between reconciliation and forgiveness. Reconciliation occurs when both parties exert effort to rebuild a damaged relationship, and strive to settle the issues that led to the disruption of that relationship. Reconciliation is a behavioral manifestation of forgiveness, defined as a deliberate decision by the victim to surrender feelings of resentment and grant amnesty to the offender. An example may be when a battered woman forgives her abuser as a means of coping and psychological healing, but does not allow the relationship to continue. Thus, following a trust violation, the trust cannot be rebuilt if the victim is not willing to reconcile. On the other hand, if the victim is willing to reconcile, rebuilding trust in the relationship becomes possible although not guaranteed. Rebuilding CBT In CBT relationships, expectations of the other party are grounded in a cognitive appraisal of the costs and benefits involved in a given transaction, with minimal emphasis on the emotional investment in the relationship i. Violations in a CBT relationship involve a focus on the exchange itself and the loss of the specific benefits the victim was relying on from the exchange. In short, in order to repair CBT, parties tend to focus on the impact i. Accordingly, it is essential for the offender to take the initiative in stimulating reconciliation, and this is most likely when the offender actually desires to rebuild trust and is skilled at perspective taking the ability to visualize the world as it appears to someone else. It may be that there were incongruent or unclear expectations between the parties that can be quickly clarified. Alternatively, there may be some explanation or justification that places the unexpected behavior in context such that the event is no longer perceived by the victim as a violation. Finally,

apologies and promises signal remorse and assurance for the future, respectively. These are important forms of communication that help to restore balance in the relationship and convince the victim that it will be safe to trust again in the future. This repair may involve acts of restitution that compensate the victim for the specific consequences of a violation. Notice that while communication and action are both central elements to reconciliation and trust recovery, the repair process for CBT is dominantly a material, transactional effort. To illustrate, simply giving someone a hug after this type of violation is not likely to help, and may in fact make things worse. Tangible reparation has to occur. Rebuilding IBT In contrast, in IBT relationships, trust of the other party is grounded in the shared interests and values of the parties and their collective emotional investment in the relationship. Compared to the exchange of tangible resources in a CBT relationship, IBT relationships are more heavily grounded in intangible resources such as perceptions of mutual attraction, support and caring for each other. Therefore, in contrast to the focus on impact in CBT violations, violations of IBT lead the victim to question the intent i. As mentioned earlier, IBT relationships are often resilient to transactional discrepancies that would be sufficient to seriously damage a CBT relationship, as long as the identification with the other party is not called into question. Feelings of abandonment, estrangement, and alienation may not be uncommon. Further, it is critical for the parties to substantively reaffirm their commitment to each other and to the ideals and values upon which the relationship is built. The offender should explicitly recommit to the relationship, and discuss strategies to avoid similar problems in the future. As before, both communication and action are essential to the trust rebuilding process, but IBT repair involves an emotional, relational focus. For example, simply paying some form of material compensation may not be sufficient to re-assert shared values and rebuild the common sense of identity that was the foundation of the trust. Practical Implications for Building Trust What Individuals Can Do It should be noted that trust building is a bilateral process that requires mutual commitment and effort, especially when attempting to de-escalate conflict. Nonetheless, there are several ways individuals can act on their own to initiate or encourage the trust building process. Individuals should continuously strive to demonstrate proficiency in carrying out their obligations.

Chapter 6 : Trust law - Wikipedia

Trust and Trust Building. By The breadth of this literature offers rich insight, and this is noted in the common elements that appear in the definition of trust.

Ancient examples[edit] A possible early concept which later developed into what today is understood as a trust related to land. An ancient king settlor grants property back to its previous owner beneficiary during his absence, supported by witness testimony trustee. In essence and in this case, the king, in place of the later state trustor and holder of assets at highest position issues ownership along with past proceeds to the original beneficiary: On the testimony of Gehazi the servant of Elisha that the woman was the owner of these lands, the king returns all her property to her. From the fact that the king orders his eunuch to return to the woman all her property and the produce of her land from the time that she left This was created by later common law jurisdictions. Personal trust law developed in England at the time of the Crusades , during the 12th and 13th centuries. In medieval English trust law, the settlor was known as the feoffor to uses while the trustee was known as the feoffee to uses and the beneficiary was known as the cestui que use, or cestui que trust. At the time, land ownership in England was based on the feudal system. When a landowner left England to fight in the Crusades, he conveyed ownership of his lands in his absence to manage the estate and pay and receive feudal dues, on the understanding that the ownership would be conveyed back on his return. However, Crusaders often encountered refusal to hand over the property upon their return. Unfortunately for the Crusader, English common law did not recognize his claim. The Crusader had no legal claim. The disgruntled Crusader would then petition the king, who would refer the matter to his Lord Chancellor. The Lord Chancellor could decide a case according to his conscience. At this time, the principle of equity was born. The Lord Chancellor would consider it "unconscionable" that the legal owner could go back on his word and deny the claims of the Crusader the "true" owner. Therefore, he would find in favour of the returning Crusader. The legal owner would hold the land for the benefit of the original owner and would be compelled to convey it back to him when requested. The Crusader was the "beneficiary" and the acquaintance the "trustee". The term "use of land" was coined, and in time developed into what we now know as a trust. Significance[edit] The trust is widely considered to be the most innovative contribution of the English legal system. Trusts are widely used internationally, especially in countries within the English law sphere of influence, and whilst most civil law jurisdictions do not generally contain the concept of a trust within their legal systems, they do recognise the concept under the Hague Convention on the Law Applicable to Trusts and on their Recognition partly only the extent that they are parties thereto. The Hague Convention also regulates conflict of trusts. Although trusts are often associated with intrafamily wealth transfers, they have become very important in American capital markets, particularly through pension funds in certain countries essentially always trusts and mutual funds often trusts. The uses of trusts are many and varied, for both personal and commercial reasons, and trusts may provide benefits in estate planning , asset protection , and taxes. In a relevant sense, a trust can be viewed as a generic form of a corporation where the settlors investors are also the beneficiaries. This is particularly evident in the Delaware business trust, which could theoretically, with the language in the " governing instrument ", be organized as a cooperative corporation or a limited liability corporation, [10]: Terminology[edit] Chart of a trust Appointer: This is the person who can appoint a new trustee or remove an existing one. This person is usually mentioned in the trust deed. In trust law, "appointment" often has its everyday meaning. It is common to talk of "the appointment of a trustee", for example. However, "appointment" also has a technical trust law meaning, either: Sometimes, a power of appointment is given to someone other than the trustee, such as the settlor, the protector, or a beneficiary. This is the legal term used to imply that an entity is acting as a trustee. A beneficiary is anyone who receives benefits from any assets the trust owns. This term refers to the fact that the trustee is acting on its own behalf. A protector may be appointed in an express, inter vivos trust, as a person who has some control over the trustee—usually including a power to dismiss the trustee and appoint another. The legal status of a protector is the subject of some debate. No-one doubts that a trustee has fiduciary responsibilities. If a protector also has fiduciary responsibilities, then the courts—“if asked by

beneficiaries could order him or her to act in the way the court decrees. However, a protector is unnecessary to the nature of a trust many trusts can and do operate without one. Also, protectors are comparatively new, while the nature of trusts has been established over hundreds of years. It is therefore thought by some that protectors have fiduciary duties, and by others that they do not. The case law has not yet established this point. This is the person or persons who creates the trust. Grantor is a common synonym. A trust deed is a legal document that defines the trust such as the trustee, beneficiaries, settlor and appointer, and the terms and conditions of the agreement. A trust distribution is any income or asset that is given out to the beneficiaries of the trust. A person either an individual, a corporation or more than one of either who administers a trust. Creation[edit] Trusts may be created by the expressed intentions of the settlor express trusts [11] or they may be created by operation of law known as implied trusts. An implied trust is one created by a court of equity because of acts or situations of the parties. Implied trusts are divided into two categories: A resulting trust is implied by the law to work out the presumed intentions of the parties, but it does not take into consideration their expressed intent. A constructive trust [12] is a trust implied by law to work out justice between the parties, regardless of their intentions. Typically a trust can be created in the following four ways: In some jurisdictions certain types of assets may not be the subject of a trust without a written document. The property subject to the trust must be clearly identified *Palmer v Simmonds*. One may not, for example state, settle "the majority of my estate", as the precise extent cannot be ascertained. Trust property may be any form of specific property, be it real or personal , tangible or intangible. It is often, for example, real estate, shares or cash. In the case of discretionary trusts, where the trustees have power to decide who the beneficiaries will be, the settlor must have described a clear class of beneficiaries *McPhail v Doulton*. Beneficiaries may include people not born at the date of the trust for example, "my future grandchildren". Alternatively, the object of a trust could be a charitable purpose rather than specific beneficiaries. The trustee may be either a person or a legal entity such as a company , but typically the trust itself is not an entity and any lawsuit must be against the trustees. A trustee has many rights and responsibilities which vary based on the jurisdiction and trust instrument. If a trust lacks a trustee, a court may appoint a trustee. The trustees administer the affairs attendant to the trust. In some cases dependent upon the trust instrument, the trustees must make discretionary decisions as to whether beneficiaries should receive trust assets for their benefit. A trustee may be held personally liable for problems, although fiduciary liability insurance similar to directors and officers liability insurance can be purchased. For example, a trustee could be liable if assets are not properly invested. In addition, a trustee may be liable to its beneficiaries even where the trust has made a profit but consent has not been given. Either immediately or eventually, the beneficiaries will receive income from the trust property, or they will receive the property itself. One beneficiary may be entitled to income for example, interest from a bank account , whereas another may be entitled to the entirety of the trust property when he attains the age of twenty-five years. The settlor has much discretion when creating the trust, subject to some limitations imposed by law. The beneficiaries are jocosely known as "trust fund babies" or "trustafarians". Trusts may be created purely for privacy. The terms of a will are public in certain jurisdictions, while the terms of a trust are not. These are especially attractive for spendthrifts. Courts may generally recognize spendthrift clauses against trust beneficiaries and their creditors, but not against creditors of a settlor. The executor of the will is usually the trustee, and the children are the beneficiaries. The trustee will have powers to assist the beneficiaries during their minority. In some common law jurisdictions all charities must take the form of trusts. In others, corporations may be charities also. In most jurisdictions, charities are tightly regulated for the public benefit in England, for example, by the Charity Commission. The trust has proved to be such a flexible concept that it has proved capable of working as an investment vehicle: This form of trust was developed by Paul Baxendale-Walker and has since gained widespread use. Complex business arrangements, most often in the finance and insurance sectors, sometimes use trusts among various other entities e. Trusts may allow beneficiaries to protect assets from creditors as the trust may be bankruptcy remote. For example, a discretionary trust, of which the settlor may be the protector and a beneficiary, but not the trustee and not the sole beneficiary. In such an arrangement the settlor may be in a position to benefit from the trust assets, without owning them, and therefore in theory protected from creditors. In addition, the trust may attempt to

preserve anonymity with a completely unconnected name e. These strategies are ethically and legally controversial. The tax consequences of doing anything using a trust are usually different from the tax consequences of achieving the same effect by another route if, indeed, it would be possible to do so. In many cases, the tax consequences of using the trust are better than the alternative, and trusts are therefore frequently used for legal tax avoidance. For an example see the "nil-band discretionary trust", explained at Inheritance Tax United Kingdom. Ownership of property by more than one person is facilitated by a trust. In particular, ownership of a matrimonial home is commonly effected by a trust with both partners as beneficiaries and one, or both, owning the legal title as trustee.

Chapter 7 : Building Trust Inside Your Team - Behaviors That Build Trust From calendrierdelascience.com

Trusts: Common Law and IRC(c)(3) and page A -9 Exempt Organizations-Technical Instruction Pro gram for FY Does a trust have to be registered with the State?

Chapter 8 : Trust and Trust Building | Beyond Intractability

The Common Element is the Universal current of goodness that flows through each of us regardless of size, shape, color or expression. Love the skin you live in.

Chapter 9 : Trust (Stanford Encyclopedia of Philosophy)

A trust is a three-party fiduciary relationship in which the first party, the trustor or settlor, transfers ("settles") a property (often but not necessarily a sum of money) upon the second party (the trustee) for the benefit of the third party, the beneficiary.