

Nevada Trust: The Tiffany of Trust Firms Offering Advisors Unique High-End Solutions

Posted by [Lew Koflowitz](#), Contributor – on November 18th, 2014

Given its unconventional approach to providing a more comprehensive type of service to clients, Nevada Trust, with a mere 20 years under its belt, has positioned itself to continue its rapid growth in Nevada and beyond.



How many trust companies do you know that will provide an end-to-end solution for a client who wants to import thoroughbred horses into the United States?

That's exactly what Nevada Trust Co. did in a recent transaction. The 20-year-old Las Vegas-based trust firm took both title to the horses from the European seller and custody while the horses were being vetted to make sure they were healthy.

The process included arranging for the quarantine of the horses (which were worth \$80,000 to \$100,000 each) during the vetting process. The U.S. client's payment was held in an escrow arranged by Nevada Trust until the horses were deemed to be completely healthy.

"Without this arrangement, it would have been expensive and risky for our client to fly the horses over to the U.S. before knowing whether or not they were healthy," says David Thorson, vice president and treasurer.

Creative solutions like this make Nevada Trust a premier trust company that is growing rapidly in an industry that is traditionally plain vanilla in the services it provides.

“At Nevada Trust, our favorite word is ‘yes,’” says Thorson. “We try to accommodate our clients’ needs in all types of complex situations that other trust companies might not be willing to consider.

“For example, larger firms have very strict processes and procedures,” he says. “If what the client needs doesn’t fit in with those rules, the larger firms will not work with that client.”

In effect, the firm operates like a multi-family office for clients that want high-end service that they cannot obtain elsewhere.

Thorson’s team comes up with solutions for the entire array of client issues like asset protection, the sale of a business, succession planning and estate planning. If complex assets like real estate, investments in closely held companies, precious metals and private collections need management and administration, they’ll handle that too.

Because of its strong service offerings and creative solutions approach, Nevada Trust is in a unique position to work with advisors to help them provide their clients with a full range of financial solutions.

A high-level team for high-level accounts

Northern Trust veteran Peter Kingman founded Nevada Trust in February 1995. The goal was to provide top-quality trust and investment management services to a rapidly growing segment of the Las Vegas population.

As the firm matured, it expanded beyond Nevada to serve clients across the U.S. and around the world. Today, only 50% to 60% of clients reside in Nevada, says Thorson.

Twenty years after founding the company, Kingman remains as president and chief investment officer, bringing a total of 40 years of experience in investment management, trust services, corporate finance and banking to the task.

Kingman has recruited a small group of talented, highly experienced senior officers to provide high-end services to clients who are looking for more than the standard trust company fare. These include Thorson, whose 22-year career in senior management, marketing, finance and business development includes stints at Ford Motor and Hewlett-Packard as well as executive roles at three start-up companies.

The team also includes James Kriss, vice president and secretary, who has an 18-year career in trust and banking in Las Vegas, including seven years as a trust administrator with Wells Fargo.

Nevada Trust’s single biggest competitive advantage, says Thorson, is the administration and management of complex assets.

In addition, the firm’s flat organizational structure results in more efficient operations and reduced overhead, enabling the firm to work with middle-market clients and provide a higher level of service at lower costs than its competitors.

Another advantage of the flat structure is that clients work directly with senior-level officers and owners of the firm, benefitting from their long experience in the trust and investment fields.

Thorson says that Nevada Trust's organizational structure and the experience of its key players enables the firm to price their services competitively. While the annual minimum fee may be higher for some services, he says that this reflects the higher cost of providing its higher-end non-traditional services.

Going beyond convention for the client

Nevada Trust's emphasis on finding non-conventional solutions for clients' requirements extends to all of the services it provides: asset protection, investment management, trust and estate services, custody and services for non-profit organizations.

When appropriate and necessary, it partners with experts in other areas, such as tax and accounting, to provide a more complete solutions-based service to its clients.

Asset Protection. Nevada Trust takes a broad and more comprehensive approach to asset protection than many other trust firms, says Thorson.

Rather than focus simply on protecting assets from judgment creditors related to personal and business liability, divorce or family disputes, it seeks to help clients protect their assets with respect to estate and retirement planning over the long term.

Some client asset protection issues can be resolved through simple strategies such as the use of irrevocable Nevada Asset Protection Trusts that will hold the client's assets. Such trusts have a wide range of benefits, with the state's beneficial tax laws being a major advantage.

In addition, Nevada Trust offers more comprehensive asset protection solutions through a holistic solution it calls a Family Wealth Enterprise.

"The job of the Family Wealth Enterprise is to fully manage the client family's wealth," says Thorson.

The FWE consists of a group of entities organized to conduct the business of managing and protecting the family's wealth and business interests with significant tax and asset protection benefits.

One such benefit is protection from estate taxes, since the enterprise owns the operating business and continues after the death of a family member that controls the business.

By setting up multiple corporate entities such as LLCs or C Corporations, the FWE structure separates "risk assets" — rental property, vehicles and business interests — from "safe assets" such as cash and marketable securities, creating separate entities that insulate the assets from judgments and providing beneficial tax treatment of ongoing businesses.

Investment Management. Nevada Trust also goes beyond the traditional in its investment management services.

The firm provides investment management for assets owned by trusts and endowments, as well as for individual investment accounts held in custody. It will also work with a client's own investment manager while remaining as a trustee or custodian.

While many firms will simply provide plain vanilla investment management services including stocks, bonds and mutual funds, Nevada Trust goes a step further and offers its specially designed Alpha/Select Portfolio of actively-managed portfolios that select from independent, top-quintile-performing investment managers in such investment styles as large-cap core equity, large-cap dividend value, mid-cap core equity, small/mid-cap growth equity and emerging markets.

The use of particular outside managers changes as their performance changes; and the allocation to different investment styles will differ according to developments in domestic and global markets, as well as to individual client requirements, Thorson says.

Custody Services. Nevada Trust's custody services are broad and comprehensive.

In addition to traditional securities, NTC also provides custody for a full range of other assets including self-directed IRA and 401(k) accounts, real estate and trust deeds, life insurance annuity policies, mineral rights and closely held company stock certificates, precious metals and private collections.

Non-Profit Services. In the not-for-profit area, Nevada Trust plays an expanded role for its clients when compared with other trust companies.

The firm will provide customized services to meet whatever its non-profit clients need, including endowment investment management, real estate administration, endowment development and funding, financial reporting, bookkeeping administration, complex asset management, Charitable Remainder Trust development and management and donor estate planning services.

Current non-profit clients include the Las Vegas Junior League, The Desert Wetlands Conservancy, the Las Vegas Natural History Museum and The Liberace Foundation.

"With non-profits, we will provide a full range of services, up to and including resources to help them make presentations to prospective donors," says Thorson. "If they want, their advisors can manage the endowment funds."

The benefits for advisors

Thorson stresses that the high-end, non-traditional services his firm provides — particularly the administration of complex assets — ensure that advisors can confidently refer their clients to Nevada Trust.

"We will work with advisors and brokers to provide the most beneficial results for their clients. We will even partner with advisors to make joint presentations to help provide unique solutions to their investment, estate planning and custody issues," he says.

"We view ourselves as a solutions partner for advisors that we work with. We help them offer a broader array of services to their clients — thus meeting their clients' needs more completely."