Domain 1: Fiduciary Principles and Responsibilities | 10%

Topic 1: Fiduciary principles

Knowledge of:

- What it means to be a fiduciary
- Different fiduciary standards (e.g., 1940 Act, Regulation Best Interest, Uniform Trust Code)
- Fiduciary standard versus suitability standard
- The prudent investor rule
- OCC Reg 12 CFR 9

Topic 2: Fiduciary responsibilities

Knowledge of:

- Powers
- Duties (e.g., loyalty, confidentiality, to inform and report)
- Accountability (e.g., who assumes/is ascribed fiduciary responsibility)
- Uniform Acts/Codes (e.g., UPIA, UTC)
- Disclosure of compensation
- Safekeeping of Assets
- Environmental Issues
- Breach of duty and liability
- Undue influence

Domain 2: Integrated Planning and Advice | 20%

Topic 1: Types of ownership interests

Knowledge of:

- Types of joint ownership (e.g., joint tenancy with right of survivorship [JTWROS], tenancy in common [TIC], tenancy by the entirety [TBE])
- Community property versus separate property
- Business entities (e.g., sole proprietor, partnership(s), LLC, corporation(s))
- Controlling document (e.g., beneficiary designations, transfer on death [TOD], payable on death [POD])
- Powers of appointment

Skill in:

- Planning with a power of appointment

Topic 2: Financial planning

Knowledge of:

- Goals
- Time horizon
- Risk tolerance
- Income sources
- Net worth
- Review of a client's tax return
- Budget
- Cash flow analysis
- Debt management
- Monte Carlo simulations
- Educational planning
- Insurance types and usage

Topic 3: Insurance planning

Knowledge of:

- Life insurance (e.g., wealth replacement, Buy/Sell, investment)
- Health insurance
- Disability insurance
- Long-term care insurance
- Homeowner's insurance
- Property and casualty insurance
- Umbrella insurance

Topic 4: Retirement planning and distribution

Knowledge of:

- Types of IRAs, qualified plans, and non-qualified plans
- Beneficiary designations (i.e., trusts, spouse, non-spouse)
- Inherited qualified plans
- Employee stock ownership plans (ESOPs)
- Ability to withdraw
- Penalties for early withdrawals
- Qualified charitable distribution (QCD)
- Required minimum distributions
- Rollovers, direct rollover & trustee-to-trustee transfer
- Social Security
- Medicare

Topic 5: Estate planning

Knowledge of:

- Client goals
- Probate versus non-probate assets
- Powers of appointment
- Incapacity (e.g., definition of elderly and vulnerable adults, changes in behavior of and competence/capacity client, trustee, co-trustee and beneficiaries)
- Disclaimers (e.g., elements, strategies, consequences)
- Power to decant/reform
- Gifting techniques for trust and individuals to optimize transfer tax planning (e.g., GSTT, annual exclusion, payments directly to institution, 529 Plan 5 Year election and lifetime exemption)
- Charitable giving options to optimize transfer tax planning (e.g., Testamentary and Split Interest Solutions)
- Charitable deduction eligibility (i.e., cash, in-kind, private or public)
- Planning and administering for clients with special needs (e.g., ABLE, supplemental, special needs trust)
- Business succession planning
- Educational planning

Domain 3: Fiduciary Administration | 24%

Topic 1: Legal entity structure and account capacity

Knowledge of:

- Trusts
- Estates
- Agencies
- Guardianships/conservatorships
- Custodians

Topic 2: Roles and fiduciary responsibilities

Knowledge of:

- Trustee's duties and powers
- Grantor (i.e., role, powers)
- Trust protector
- Directed trustee
- Financial power of attorney (e.g., durable, general, springing)
- Control person(s) (e.g., organizational agency, general partners)

Topic 3: Types of trusts

Knowledge of:

- Revocable trusts
- Irrevocable trusts
- Spousal Lifetime Access Trust (SLAT)
- Marital trusts (e.g., QTIP, QDOT)
- Irrevocable life insurance trusts (ILIT)
- Charitable interest trusts (e.g., CRUT, CRAT, CLAT, CLUT)
- Dynasty trust
- Intentionally Defective Trusts (e.g., IDGT, BDIT)
- Grantor Retained Annuity Trust (GRAT)

Topic 4: Trust provisions

Knowledge of:

- Uniform Trust Code (UTC)
- Trust interests (e.g., current, remainder, vested)
- Understanding beneficiary financial situation
- Dispositive provisions
- Mandatory and discretionary distributions
- Ascertainable standards (i.e., Health, Education, Maintenance, Support)
- Power to adjust
- Unitrust and annuity calculations
- Rights of withdrawal
- Crummey powers
- Powers of appointment
- Spendthrift
- Termination (e.g., rule against perpetuity, uneconomic, age of attainment)

Topic 5: Principal and income accounting

Knowledge of:

- Uniform Principal and Income Act (UPIA)
- Governing document versus statutory guidelines
- Distribution criteria (i.e., principal, income, both)
- Fee calculation and allocation
- Overdraft management
- Income (e.g., interest, royalty, rental), dividends, and capital gains
- Taxes

Domain 4: Taxation | 19%

Topic 1: Individual income tax

Knowledge of:

- Individual income tax forms (e.g., 1040, 1099(s), K1)
- Review of a client's Form 1040
- Marginal tax rate vs. effective tax rate
- Capital Gains (e.g., short- and long-term holding periods and rates)
- Tax efficient management (e.g., Tax loss harvesting, wash sale rule, municipal bonds)
- Cost basis (i.e., step-up, step-down)
- Net Investment Income Tax (NIIT)

Topic 2: Fiduciary income tax

Knowledge of:

- Fiduciary tax forms (e.g., 1041, 706, 990)
- Simple versus complex
- Grantor trusts
- Distributable net income (DNI)
- 65-day rule
- Fiscal and calendar year end filings
- Right of withdrawal power
- Treatment of capital gains

Skill in:

- Calculating DNI
- Determining the filing dates for tax reporting (e.g., fiscal, 65-day, calendar year-end)

Topic 3: Federal estate and gift taxes

Knowledge of:

- Taxable versus nontaxable estate assets
- Estate tax and exemption
- Gift tax annual exclusion and exemption
- Portability
- Marital and charitable deductions
- Payment of taxes (i.e., responsible party, timing of payment)
- Income in respect of a decedent (IRD)

Skill in:

- Calculating the value of the gross estate

Topic 4: Generation-skipping transfer tax (GSTT)

Knowledge of:

- GSTT (i.e., exempt trusts, non-exempt trusts)
- Skip persons/trusts
- Taxable distributions
- Taxable termination

Domain 5: Asset Types and Management | 16%

Topic 1: Asset types

Knowledge of:

- Equities
- Fixed income
- Mutual funds
- ETFs
- Alternative assets (e.g., private equity, hedge funds, closely held businesses)
- Real estate and farms
- Unique assets (e.g., oil, gas, minerals, collectibles)
- Digital assets (e.g., social media accounts, photographs, collectibles)

Topic 2: Investment management

Knowledge of:

- Prudent investor rule
- Time horizon
- Liquidity needs
- Asset allocation
- Concentration of assets
- Risk types (e.g., market risk, liquidity risk, credit risk)
- Trust provisions (e.g., distribution terms, current and remainder beneficiary, special investment terms)
- Environmental, social, and governance (ESG)

Topic 3: Economic and market concepts

Knowledge of:

- Economic cycles
- Monetary policy (e.g., interest rates, quantitative easing/tightening)
- Inflation
- Fiscal policy (e.g., taxation, contraction)
- Gross domestic product
- International currency markets

Topic 4: Portfolio strategies

Knowledge of:

- Modern portfolio theory
- Tax efficient management (e.g., tax loss harvesting, wash sale rule, municipal bonds)
- Dollar cost averaging
- Equity investment management approaches (e.g., active versus passive, growth versus value)
- Fixed income investment management approaches (e.g., active versus passive, funds versus individual)
- Hedging strategies (e.g., hedge funds, options, futures)

Topic 5: Investment performance

Knowledge of:

- Time-weighted versus dollar-weighted
- Benchmarks and indices
- Risk adjusted

Domain 6: Risk and Compliance Management | 11%

Topic 1: Pre-acceptance of accounts

Knowledge of:

- Know Your Client (KYC)
- Identity of beneficial owners, beneficiaries, and other interested parties
- Foreign clients, trustees, and beneficiaries
- Capacity
- OFAC
- Due diligence
- Enhanced due diligence situations
- Unique assets
- Concentrated assets
- Environmental site assessment and compliance with Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
- Written agreements and direction letters
- Trust Situs
- Governing law
- Resignation/acceptance

Topic 2: Conflicts of interest

Knowledge of:

- Self-dealing
- Gifts to and from clients and vendors
- Business solicitation
- Compensation arrangements
- Related parties and affiliates
- Proprietary investments
- Insider Information

Topic 3: Role limitations

Knowledge of:

- Unauthorized practice of law
- Limitation of tax advice
- Other trusted advisors and designations (e.g., trust protectors, directed advisor, attorney)

Topic 4: Account reviews

Knowledge of:

- Regulation 9, initial review, administrative review (e.g., synoptic record, distributions, beneficiary statements)
- Investment Review (e.g., Investment policy statement, asset allocation, concentration)

LEGEND:

JTWROS: joint tenancy with right of survivorship

TIC: tenancy in common

TBE: tenancy by the entirety

TOD: transfer on death

POD: payable on death

ESOP: employee stock ownership plan

QCD: qualified charitable distribution

GSTT: generation-skipping transfer tax

DAF: donor advised fund

ABLE: achieve a better life experience

QTIP: qualified terminable interest in property

DNI: distributable net income

IRD: income in respect of a decedent

ETF: exchange traded fund

ESG: environmental, social, and governance

QDOT: qualified domestic trust

ILIT: irrevocable life insurance trusts

CRUT: charitable remainder unitrust

CRAT: charitable remainder annuity trust

CLAT: charitable lead annuity trust

CLUT: charitable lead unitrust

SLAT: spousal lifetime access trust

SNT: special needs/supplemental needs trusts

IDGT: intentionally defective grantor trust

BDIT: beneficiary defective inheritors trust

GRAT: grantor retained annuity trust

UTC: Uniform Trust Code

UPIA: Uniform Principal and Income Act

KYC: know your client

OFAC: Office of Foreign Asset Control

CERCLA: Environmental Site Assessment and Compliance with Comprehensive Environmental Response, Compensation, and Liability Act