

# Peter Triggs and 1291 on Taking Time to Reflect, Improve and Prepare HNW Clients for the World Ahead

Peter Triggs is a well-known personality in the world of wealth management in Asia. Amongst other noteworthy roles, he has, since September 2019, been consultant and partner for the 1291 Group, a Swiss wealth management advisory boutique for which life insurance solutions, especially PPLI, are central to their offering through its own and partner offices worldwide. Triggs has immense experience, as a former Managing Director and Head of Regional Wealth Planning at DBS, and before that enjoying prominent roles at Citibank, including as Head of Asia Wealth Planning and Citibank Private Banking for Singapore and Malaysia. Hubbis 'met' with Triggs recently by video call to learn of his current activities during lockdown, and to hear his thoughts on how members of the wealth management community can use this hiatus from life as we all knew it to enhance their business, personal and even family skills. Sticking more closely to the world of private wealth, Triggs explained how relationship managers, in order to be genuinely effective, must take a long-term view and become truly trusted advisors to their clients. If so, they will win a growing share of the client wallet, and also engage with the next generation.

**1291 Group** is now 20 years old, and three years old in Asia. Founded as an insurance broker, and focussing heavily from the outset – and still today - on planning for American clients resident overseas, the group has been expanding its range of services and geographically as well, so there are now 13 offices spread all over Europe, Latin America and Asia. The Hong Kong operation opened in 2017 and is licensed as an insurance broker, and Singapore opened a year later, where 1291 operates as a licensed financial advisor.

Life insurance and especially Private Placement Life Insurance (PPLI) have been core to the 1291 proposition in Asia, while another key growth area for 1291 since 2018 has been the family office consulting and services, The 1291 Group Private Office operation.

1291 today has a physical presence or close partnerships in Zurich, Lausanne, London, Stockholm, Hong Kong, Singapore, Manila, Bangkok, Mexico City, Bogota, Panama City, Montevideo, and Rio de Janeiro.

The 1291 Group boasts that it offers private wealth solutions for families in today's newly transparent world. "Clients have never needed wealth planning advice more than they do today," says Triggs, "as the traditional wealth planning tools, especially trusts and offshore entities, are facing scrutiny and challenges in the new transparent environment."

### **Pause, reflect and prepare**

Stepping back from the fray during the earlier weeks of the lockdown, Triggs put out a very personal,

thoughtful, and thought-provoking note to clients and colleagues on the impact of the pandemic and implications for life, life insurance and wealth planning. He said that in the lockdown, during which some individuals and families have sadly suffered immensely, there is for some of us a gift of more time. This time, he proposed could be spent in a variety of positive ways.

**"I believe that as the financial world moves to divide between the high tech and high touch channels, high touch is the place to be. Private bankers are going to find more and more of their current role taken over by technology, or at least in online trading, and clients don't need their bankers for information, and perhaps soon even for advice, and essentially the writing is on the wall as the robo-advisors and A.I. take over many roles. It is not quite there yet, but it is coming."**

First, he commented, people can take time to read and improve their understanding. "As well as reading for pleasure, we can access material that helps us in our job," he observes. "If we are in wealth management, we can access sites like Hubbis and read articles written by leading investment experts or senior industry figures. Using Blinkist is also a very efficient way to absorb key points from books we may not have time to read fully."

We also have time to think. "Forced off our hamster wheel of constant activity, we can step back and think about how our career is going, and how our life is going. We can become more mindful," he says. "Are we really doing what we are best at? Are we fulfilling ourselves? Are we

doing what we want to do? Are we happy?" Sites like Tigerhall can also help greatly with personal development, Triggs notes.

### **Look ahead**

We can also plan ahead. "We have time in this hiatus to get life more organised. I can check my health insurance. Is it time to make a will, or a new will? For example, one

might have just discovered what happens to one's wealth under the Singapore intestacy provisions if one were to die intestate. And maybe each spouse should make a lasting power of attorney, giving each other the power to act for both in the event that one becomes incapacitated. And what about parents, grandparents: do they have wills in place, or lasting powers of attorney? This might be the time to check."

### **Be proactive**

And for RMs, he advises, they have clients depending on them, so the RMs should be using the time effectively to think ahead with and for them. "I noted some research published recently by Hubbis that 84% of private bank clients think their relationship manager is just reactive, in other words very few



**PETER TRIGGS**  
1291 Group Asia

are proactive,” he says. “Maybe now is the right time to start to be more proactive. The clients will often have investments, property or family members overseas. They are touching different legal systems and countries with completely different tax laws. Do I know if they have taken relevant tax and legal advice, and have proper structures in place?”

He also advises RMs to think deeply about what clients are really concerned about. “Do you as an RM talk too much when you meet clients?” he wonders. “Do you listen enough? In the new transparent world that has arrived with the Common Reporting Standard, automatic exchange of information, and a host of other regulation, clients need advice more than ever. Trusts, for example, are being reported back to countries that don’t recognise trusts, such as Indonesia. The UK property tax laws for foreign investors changed completely in 2017. Do the RMs know any clients impacted by this? There are many other examples where the RM can be really connected to the clients and add genuine value.”

### Prepared for life

And of course, there is life insurance, a specialty of both Triggs and 1291. “In a recent survey by Transamerica, HNW Asian families who did not have life insurance were asked what their reason was for not having it,” he reports. “The largest response category, 37%, said it was because their relationship manager never mentioned it. It is well worth taking a bit of the new time I have now to discuss these matters with clients, and to think some of these things through.”

Triggs explains that he does a lot of training for the Singapore Wealth Management Institute and one of the messages that he convey to the RMs is to realise that although wealth planning seems like a very technical subject, involving tax, law, insurance and so forth, on which they are not necessarily or even by regulation qualified to opine, the banker role is actually the most important in the process. It is the banker who knows the client best and understands their deep concerns. It is the banker who can engage the client, highlight the need for action, and then hand over to the specialists.

### Don’t be shy

“So it is within an RM’s grasp to bring these subjects up,” he comments. “The RMs have such an important role with the clients in terms of wealth planning potential, they can very viably bring up questions as to whether the clients have a will, enduring powers of attorney, life insurance and so forth. All these discussions show those clients that the RMs are willing to spend time discussing some products and solutions

which they are not even selling, therefore moving further towards becoming a trusted advisor.”

He adds more detail to this train of thought. “If the conversation that the RM has is always around trying to sell some fund or some structured note, or other product, then in the client’s mind this person is a sales person, he is a product provider,” he says. “I believe that as the financial world moves to divide between the high tech and high touch channels, high touch is the place to be. Private bankers are going to find more and more of their current role taken over by technology, or at least in online trading, and clients don’t need their bankers for information, and perhaps soon even for advice, and essentially the writing is on the wall as the robo-advisors and A.I. take over many roles. It is not quite there yet, but it is coming.”

### The trust required

This, he extrapolates, means the RMs are either a real trusted advisor, or are going to be an endangered species, like stockbrokers of yore.

“A trusted advisor is somebody who is taking a more holistic approach with clients, so you don’t have to be an expert, you just have to know enough about the world, the legal systems in the world, the tax systems in different countries just enough to ask the right questions. The RMs can then play a vital role in understanding their clients and gently probing and sharing ideas.”

As to new ideas, new developments and new thoughts for the RM community to share, he notes that in the structuring

world there have been positive developments. Singapore has a new Variable Capital Company, VCC, similar to the SICAV in Luxembourg, which will be very useful for fund managers, asset managers and multi-family offices. “And meanwhile at a time when trusts are being challenged in some jurisdictions, maybe the RM should be looking on behalf of clients at using insurance as an asset holding vehicle instead of, or in addition to, using a trust.”

### Look at life solutions

Life insurance solutions are increasingly vital for wealth planning for the world’s high-net-worth individuals, especially in a world of intense and proliferating regulation and compliance.

“The days of secrecy are gone, so the best that clients and their advisors can hope for is some degree of privacy,” Triggs observes. “Gone, too, are the days of simple wealth protection through clandestine offshore entities and jurisdictions. Compliant and transparent wealth planning, structures and solutions aligned to a multi-generational family perspective are no longer a luxury, they are necessities, playing an even more important role in any well-devised wealth management strategy.”

### PPLI to the fore

And with that comment, Triggs delves deeper into his preferred life product, the Private Placement Life Insurance policy. “These,” he explains “enable clients to transfer financial assets, but also in many cases property and even family businesses, into the ownership of a life insurance company and this can produce huge and surprising benefits.”

He explains that such insurance is recognised everywhere, the CRS reporting is simplified, there is usually a very favourable tax treatment, and the client can cancel the arrangement at any time.

“This whole concept is just starting to be more fully understood here in Asia,” he comments. “It is a good time for RMs to understand this more for the benefit of their clients.”

Triggs highlights a special marketing document titled ‘You and 1291 in 2020’ and sub-titled ‘Private Wealth Solutions – From our family to yours’, which lays out some key thoughts for clients considering their wealth and estate planning.

Trusts are under attack, the report states. The document highlighted how trusts are increasingly coming under attack. There have been specific tax penalties introduced in France, trusts are now ignored for residential property holding structures in the UK for inheritance tax (IHT) purposes. Trusts are generally not recognised in Civil Law countries, indeed in Indonesia, they are considered and taxed as Controlled Foreign Corporations, while in other Asian countries, such as China, Philippines, and Thailand, there is uncertainty. Trusts are also not really suitable for holding operating companies, as many trustees are increasingly reluctant to take on risk assets.

And with more visibility on trust structures through CRS reporting, there is increased risk for banks and wealth planners if structures have been put in place that result in conflicts of law or which are not effective, or even detrimental, from a legal or tax perspective.





### Many advantages

Insurance is recognised and legislated everywhere, in both Civil Law and Common Law countries. Hence there is certainty of treatment, Triggs explains, adding that the benefits of a trust to avoid the probate process, and have access to funds during lifetime and a distribution plan after lifetime can also be achieved via insurance, while creditor protection can be built in.

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“CRS reporting is not avoided,” he elucidates, “but the insurance company becomes the reporting financial institution relieving the trustee (if it qualifies as a financial institution), or the bank from the reporting responsibility. Similarly, tax is not avoided but, because the insurance contract is a financial instrument, unlike a trust, there is a natural tax deferral in the same way as with a bond, or an equity, you are only taxed when a distribution is received or the financial instrument is disposed of. This is the case in almost every country, and many European countries encourage these structures as savings vehicles, provided certain parameters are followed.”

He also highlights the greater flexibility than in trusts to hold complex assets – properties, operating businesses, accounts with multiple banks and others. “Sometimes,” he remarks, “if appropriate, a trust can be the policyholder or the beneficiary of the insurance contract.”

### PPLI benefits clients and bankers

PPLI, says Triggs, can be a win-win for clients and RMs alike. PPLI offers worldwide recognition, and certainty of planning, the avoidance of probate, a distribution plan, the flexibility to cancel, withdraw funds or reduce life cover. It offers legitimate tax deferral within the financial instrument, creditor protection, it

can hold multiple asset types, can accommodate very high life cover, while CRS reporting is dealt with by the insurance company.

And for the banks or other WM firms, they should note that PPLI assets are retained with the bank, the structure can attract new assets and new clients, bankers earn revenue on non-bankable assets and assets with other banks, they obtain upfront fees and annual fees, they can help provide clients with substantial life cover, as needed, without losing AUM. And they can differentiate with a new product offering, as well as position themselves as a lead trusted advisor to their client.

### Changing the mindset

Returning to his earlier comments around longevity of relationship and vision, Triggs does acknowledge that the private banks themselves must make a mindset shift of some magnitude in order to accommodate this approach,

whereas many have historically been product selling machines.

“But the long term vision of the long term player is the organisation that is sophisticated enough to realise that building trust with their clients and delivering better results will build share of wallet and help the banks engage with the next generation,” he comments.

“Can this be achieved when the pressure from the top is for quarterly results?” he wonders. “Not always, especially for the biggest publicly listed entities. And that is why we have been seeing more migration to smaller,

boutique, family-controlled private banks, to EAMs, and to family offices as clients become more wary of the pressures on them to buy from bankers who are pressured themselves.”

### Shine a light

Triggs closes the discussion by reiterating his view that the progressive bank and the enlightened RM will focus constantly and unerringly on the long-term relationship building and less on the short-term revenue dynamics, because the revenues will indeed flow. “I firmly believe from my long experience that as you focus on the relationship the revenues will

come, the assets will come, but to do so, you as a banker and the organisation you represent must have the same shared vision.”

His final word is to remind us of the final comments to his personal note during lockdown. “This hiatus can also be used positively to help each and every one of us improve and educate ourselves, to play more with family members, to get fitter and healthier, to be thankful for what we have, even to think about reactivating a more spiritual life, and also to help others, as there are so many in a far, far worse situation than us. We have been given a gift of time, and we can use it well.” ■



## Getting Personal with Peter Triggs

Peter Triggs, FCA, CTA, TEP is a Tax, Trust and Wealth Planning veteran with more than 30 years' experience across Asia, the Middle East and Europe. He is now a Partner in 1291, as well as CEO of a consulting business in Singapore, Triggs Wealth Advisory Pte Ltd. He also lectures at the Wealth Management Institute of Nanyang Technological University in Singapore and is on the Advisory Boards of Envysion Multi-Family office and the Independent Investment Exchange.

Triggs has in the past served as Managing Director, Head of Regional Wealth Planning, and Head of International Private Banking, DBS Private Bank in Singapore, and as an MD in various positions within Citibank Private Bank in London, Jersey, Geneva, Zurich and Singapore including: Head of Cititrust (Jersey) Limited, Head of Trust Marketing for Europe and The Middle East Head of Trust and Insurance in Asia, as well as Head of Citibank Private Banking in Singapore and Malaysia.

Earlier in his career, Triggs was a Tax Principal for Deloitte in their London office. He is a fellow of the Institute of Chartered Accountants, a Chartered Tax Advisor in the UK, a Member of the Society of Trust and Estate Practitioners and is qualified in Insurance in Singapore.

However, he was born in Hong Kong – his father was a British civil servant on assignment there - and the family lived there until Triggs was about nine years old. On moving to the UK from Hong Kong, the family took up residence in Wimbledon, in leafy south London. He later earned an Honours degree in Mathematics and Philosophy from the University of Birmingham.

During his own childrens' 'education' years, Triggs and his wife bought their family home in France and put their three children into French schools, then boarding schools and university in England. "At the time I was working from Geneva and commuted at the weekends," he recalls. "It has worked out ok, and our eldest daughter is now in Freshfields in London, our second daughter is in Deloitte in Jersey, and my son has just graduated from York University and will soon be looking for a job."

Triggs spends his free time, during more normal circumstances, playing golf at the Marina Bay Golf Club. "Of course, Sentosa is a beautiful course too, but Marina Bay is a very friendly place," he says. "an interesting course and just a very informal one, you can turn up at fairly short notice to play 9 or 18 holes."

Despite having 'retired' in 2019, Triggs keeps himself busy with his numerous commitments. "I just love what I do," he reports. "In terms of my experience and knowledge, after being in this industry for about nearly 40 years, I am probably at my best, and it just seems a shame to stop."

He notes, however, that his time is increasingly shared between his Singapore base and France, due to his wife's passion for eventing. "After all these years of following me around and living often in rented accommodation, I think the least I can do is let her also do what she really loves, and I can go back and join her in due course."

