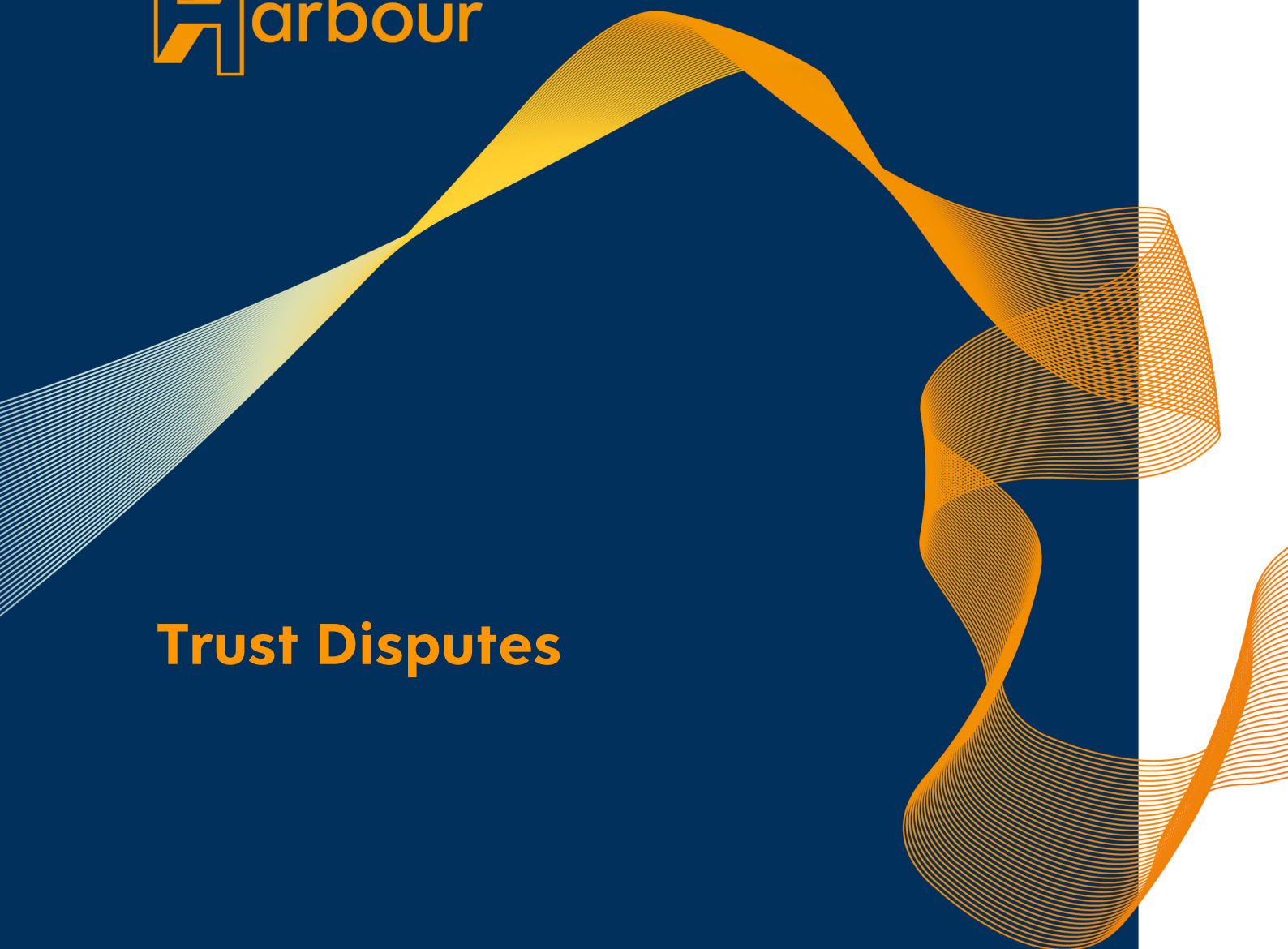




# Trust Disputes





## What is a trust dispute?

These disputes generally involve a trustee's mismanagement of a trust, through improper division or distribution of the property or assets to beneficiaries, or a failure to provide accurate accounting records of the assets and property held in the trust. Harbour can fund any form of trust dispute, including cases where:

- A trustee commits a negligent or fraudulent breach of trust;
- A trustee ignores a breach of trust by a co-trustee;
- A trustee neglects their duty to administer the trust efficiently;
- The person who set up the trust (known as the settlor) lacked mental capacity to do so or was unduly influenced into it; or
- The trust is a sham to try and disguise the real ownership of assets.

## Is funding right for your claim?

We need to understand the details of your claim to ascertain whether it could be funded. It is also important for us to know we can rely on your support in bringing the claim to a successful resolution. Answers to the following questions will help us to quickly assess your claim.

<b>Recoverability</b>	<ul style="list-style-type: none"><li>• Does the defendant have the means to satisfy a judgment made against them?</li></ul>
<b>Economics</b>	<ul style="list-style-type: none"><li>• What amount of funding do you require?</li><li>• Is any payment likely to be required for security for costs?</li><li>• What is the exposure to adverse costs likely to be?</li><li>• Is the claim against more than one party, and if so do you expect them to have separate or joint legal representation?</li><li>• How long do you expect the case will take?</li></ul>
<b>Experience</b>	<ul style="list-style-type: none"><li>• Who is in the legal team that is representing you, and what is their track record in bringing claims of this type to a successful conclusion?</li></ul>
<b>Merits</b>	<ul style="list-style-type: none"><li>• Are there good grounds for bringing the claim?</li><li>• What is the value of your financial loss, and how has that been assessed?</li></ul>



## What sets us apart?

Harbour is amongst the largest and most experienced funders in the world, having supported cases in 14 jurisdictions and 6 arbitral forums since 2007. Our experience of reviewing over 4,000 claims means we can quickly review the responses to the questions above and provide an indicative view on pricing, before guiding you through our due diligence process.

We are one of the world's leading and most experienced funders supporting trust disputes. Indeed, members of our team conducted trusts litigation whilst in private practice.

## Our pricing

Harbour provides a flexible and tailored solution to suit your needs. We can cover all or part of your legal fees and disbursements, including potential adverse costs and funding for security for costs.

The pricing of our funding is bespoke and is informed by our view of the specific risks involved. We consider factors such as the claim value, how many claims are to be pursued, the budget required (for IPs, lawyers, and financial investigators), the merits, the jurisdiction of your claim, and any potential difficulties with enforcement.

A number of pricing options are available, with non-recourse funding being the most popular, where Harbour only receives a return when proceeds are recovered. Should the claim be unsuccessful, the risk is entirely ours, and you owe Harbour nothing. Pricing is generally structured as a return of capital plus the greater of a percentage of proceeds and a multiple of our capital.

Recourse funding is also available, which allows a claimant to maximise their return and free up capital. This financing is repayable at the end of the process, regardless of the outcome of the case.

We can also acquire interests in claims and judgments, providing immediate cash payments of an agreed percentage of the claim or judgment value, potentially with more to follow upon successful recoveries if the claimant wishes to remain involved.

We seek to agree pricing which fairly rewards the risk you and we are taking.

Pricing is agreed with our investment team at an early stage in our discussions, and before the case is presented to our investment committee you will know what the pricing is and how an agreement will be structured. More information on pricing and our processes is available on our website.



## Trust dispute case study

A breach of trust of an investment management agreement led to proceedings in the Channel Islands. Harbour's funding ensured the claimant had the resources to meet every diversionary tactic deployed by the defendant in the litigation.

A number of investors entrusted their money to a Channel Islands trust company to ensure it oversaw the investment of those funds in accordance with agreed investment guidelines. The trust company failed to act in accordance with these guidelines and, as a result, money was diverted into unauthorised activities causing significant losses to the investors.

At the request of the investors, a new trustee was appointed. But the new trustee had no funds with which to pursue litigation against the former trustee. Harbour was then approached to fund the litigation.



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