

Article

The Breach of Trust doctrine under Liechtenstein Trust Law and its impact on the preservation and enforcement of beneficiaries' rights

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Abstract

In a recent decision, the Liechtenstein Supreme Court has clarified which remedies the discretionary beneficiaries of a Liechtenstein trust have or don't have, if a trustee violates his duties under the law or the trust deed. While the Supreme Court has restricted the rights of discretionary beneficiaries in that regard, it has at the same time pointed to alternative means for them to hold the trustee accountable. One of these means is the possibility to claim damages from the trustee for breach of trust. This article analyses the doctrine of a breach of trust under Liechtenstein Trust Law and examines the conditions for and modalities of such claim by which a discretionary beneficiary can hold a trustee personally liable if he is acting in breach of his duties.

1. Introduction¹

Liechtenstein trust law was legally codified in 1926, whereby Liechtenstein was not only the first Civil Law jurisdiction to implement the concept of a trust in its legal system, but remains the only one to have done so until today. As is the case in the Common Law model, in Liechtenstein too the beneficial interest is considered the “heart of trust law”.²

According to the wording of the statute,³ the purpose of trust governance focuses on and evolves around beneficiaries and their interest. The core idea of Liechtenstein Trust Law and its rules about trust governance is therefore, that the trust assets should ultimately benefit one or more beneficiaries.⁴ The “beneficiary principle”, which is well established under Common Law, applies to the Liechtenstein trust as well, meaning that a trust, for it to be validly established, needs a beneficiary as its defined object. The

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1. This article is in parts based on Sebastian Auer's chapter on beneficiaries in the recently published book on Liechtenstein Trusts Law, GASSER JOHANNES (Ed.), *Liechtensteinisches Trustrecht – Praxishandbuch* (2020).

2. FRANCESCO SCHURR, *Die Rechtsstellung der Begünstigten im liechtensteinischen Trustrecht*, PSR 2011/5, p. 22.

3. Art. 897 PGR.

4. FRANCESCO SCHURR, *Rechtsstellung der Begünstigten*, p.22.

beneficiary in turn has the clearly determined role in the system of trust governance, to ensure the enforcement of the provisions of the trust deed.⁵ In Liechtenstein Trust Law, such role is explicitly bestowed on the beneficiary in Art. 927 para 1 of the Liechtenstein Person and Company Law ("PGR").⁶

The beneficiary is understood to be the person who, in accordance with the trust instrument, receives any present or future benefit from the trust, whether that benefit is in the form of a share in the income or in the trust capital as such, or whether he has a legally enforceable claim to it or not.⁷

It is self-explanatory that the role to enforce provisions of a settlement must necessarily come with viable instruments to fulfill such task. When it comes to the question if Liechtenstein Trust Law provides for such instrument, a distinction must be drawn between beneficiaries with a legal entitlement to at least a portion of the trust fund and mere discretionary beneficiaries. Unlike the first, the latter has no enforceable claim to receive any part of the trust assets. All benefits such beneficiary receives from the trust are indeed within the discretion of the trustee (at least within the limits of such discretion as set out in the trust deed).⁸

In its decision dated 3 March 2017,⁹ the Liechtenstein Supreme Court has clarified that—unlike entitled beneficiaries—discretionary beneficiaries do not have legal standing to initiate supervisory proceedings. They therefore have no direct possibility to remedy acts or omissions by the trustee, which they feel adversely affect their rights or interests under the trust. This decision came largely to the dismay of the Liechtenstein legal community and concerns were raised that this could lead to a “control deficit” in Liechtenstein discretionary trusts.¹⁰

Part of the reasoning of the Supreme Court was explicitly addressing this issue, noting that such lack of control was not to be expected, as discretionary beneficiaries were entitled to claim damages resulting from a breach of trust. Leaving aside the question, if a damages claim against the trustee after a breach of trust has occurred, is indeed a sufficient means for beneficiaries to enforce the trust provisions, it shall be noted that—at least in the authors’ experience—there are hardly any cases, in which trustees of a Liechtenstein discretionary trust were held accountable for any mismanagement under the breach of trust doctrine. However, as the Supreme Court has explicitly pointed to this instrument, it may attract much more attention in the future and claims based on a breach of trust may indeed become the “to-go” remedy for beneficiaries, who think their rights have been infringed by a trustee.

This article will examine the conditions and the scope of the right of the beneficiaries of a Liechtenstein trust to claim damages against a trustee acting in breach of his duties.

2. The codification of the breach of trust in Liechtenstein Trust Law

Art. 924 para. 1 PGR regulates the consequences of a breach of trust by the trustee:

If the Trustee fails to comply with the provisions of the Trust Deed or the other relevant provisions of this title [author’s note: i.e. the provisions concerning trusts are stipulated in the 16th title of the 2nd Section of the Liechtenstein PGR] (breach of trust), he shall be personally liable to the Settlor and, if the Settlor no longer exists, to the Beneficiary in

5. HAYTON DAVID, *Underhill and Hayton, Law relating to trusts and trustees* (2010), p. 170 et seq; FRANCESCO SCHURR, *A comparative introduction to the trust in the Principality of Liechtenstein*, in: FRANCESCO SCHURR (publ.) *Trusts in the Principality of Liechtenstein and similar jurisdictions. Aspects of Wealth protection, beneficiaries’ rights and international law* (2014), p. 134.

6. This does not necessarily mean that the role of the beneficiaries is the same under common law as it is under Liechtenstein Trust Law. As a general rule, the role of the beneficiary in Liechtenstein is slightly weaker than in common law jurisdictions, as Liechtenstein for instance does not know a right of a beneficiary to dissolve a trust, similar to the Saunders-v-Vautier doctrine. See for a full outline on beneficiaries’ rights under Liechtenstein Trust Law, SEBASTIAN AUER, *Die Begünstigten*, in JOHANNES GASSER (Ed.), *Liechtensteinisches Trustrecht – Praxishandbuch* (2020), pp. 130 et seq.

7. Art. 910 Abs. 5 PGR in conjunction with § 78 para. 1 TrUG.

8. *Ibid.*

9. Supreme Court, 3 March 2017, 07 HG.2016.212, GE 2017, 141, Rec. 9.15.7.

10. HARALD BOSCH, *Richterlich missverständene trust governance in Liechtenstein*, PSR 2016/04.

accordance with the principles of contract law and with all his assets [. . .]¹¹

The concept of “*Breach of Trust*” is defined rather broadly in the cited provision. It refers to cases in which the trustee acts in breach of his statutory obligation or the obligation laid down in the trust instrument. For a more detailed understanding of this legal institution, it is worth consulting the somewhat more sophisticated doctrine and case law of the Common Law trust in this respect. Since the Common Law trust served as model for the Liechtenstein trust, a comparative legal analyses of the Liechtenstein provisions is certainly justified.¹²

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A variety of acts by the trustee can be regarded as a breach of trust.¹³ A breach of trust may be either an act or an omission, ranging from the actual misappropriation of trust funds to the insufficient or poor performance of the trustee’s duties.¹⁴

3. Subsidiary right of the beneficiary

It shall be noted that unlike under Common Law, many rights of beneficiaries only have a subsidiary character

and can only be exerted after the death of the settlor.¹⁵ From the wording of the above mentioned provision, it follows clearly that this is the case here.¹⁶ The provision uses the word “beneficiaries” in the widest possible sense, comprising all persons, who, according to the trust deed, receive any present or future benefit from the trust, irrespective of whether they have a legally enforceable claim to it or not.¹⁷ It follows that discretionary beneficiaries are entitled to assert a claim for damaged, according to Art. 924 PGR as well.¹⁸

This also reflects the opinion of the Supreme Court, which has qualified Art. 924 PGR in its decision of 03 March 2017¹⁹ as a provision that (also) serves the legal protection of discretionary beneficiaries. The reason for this clarification by the Supreme Court was that in this decision, the court denied the discretionary beneficiaries’ right of application in the supervisory procedure (Art. 927 PGR) and their rights to information. To compensate for the resulting control deficit, the Supreme Court stated that all beneficiaries (including discretionary ones) are entitled to assert claims for damages under Art. 924 para. 1 PGR.²⁰ Following the reasoning of the Supreme Court, it must be ensured that the control instrument of Art. 924 para. 1 PGR is an effective tool for the protection of the trust property and compensates for the control deficit, which is inherent in Liechtenstein discretionary trusts, at least after the death of the settlor, on the basis of the recent case law of the Supreme Court. This means that the already considerable barrier, namely the requirements under the general rules of tort law²¹, such as to

11. German original: “Wenn der Treuhänder den in der Treuhandurkunde aufgestellten oder den sonst einschlägigen Vorschriften dieses Titels zuwiderhandelt (Treuhandbruch), so haftet er dem Treugeber und, falls ein solcher nicht mehr vorhanden ist, dem Begünstigten gemäss den Grundsätzen des Vertragsrechts persönlich und mit seinem ganzen Vermögen [. . .]”; translation by the authors.

12. SCHURR, Comparative introduction, p. 19; KLAUS BIEDERMANN, Die Treuhänderschaft des Liechtensteinischen Rechts, dargestellt an ihrem Vorbild, dem Trust des Common Law (1981), p. 171.

13. One of the most common definitions can be found in the judgment *Armitage v Nurse*: “Breaches of trust are of many different kind. A breach of trust may be deliberate or inadvertent; it may consist of an actual misappropriation or misapplication of the trust property or merely of an investment or other dealing which is outside of the trustee’s powers; it may consist of a failure to carry out a positive obligation of the trustee or merely of a want of skill and care on their part in the management of the trust property; it may be injurious to the interest of the beneficiaries or be actually to their benefit.”; cited in CINCELLI ROMAN, Der Common Law Trust. Grundlagen, rechtsvergleichende Entwicklung und Rezeptionsmöglichkeiten aus Sicht der Schweiz (2017), p. 179.

14. Ibid.

15. KURT MOOSMANN, Der angelsächsische Trust (1999) p. 262; SCHURR FRANCESCO, Rechtstellung der Begünstigte, p. 134 et seq.

16. This follows clearly from the wording of the provision: “. . . haftet er dem Treugeber und, falls ein solcher nicht mehr vorhanden ist, dem Begünstigten. . .” (in English: “. . . shall be liable to the settlor and, if the settlor no longer exists, to the beneficiary. . .”).

17. See Art. 910 para. 5 in conjunction with article 932 a § 87 PGR.

18. This is suggested by the use of the term “*Begünstigten*” (“beneficiary”) in Art. 924 para. 1 PGR which, without the appendix “*anspruchsberechtigt*” (“entitled”), also includes discretionary beneficiaries.

19. OGH 06.04.2018, 09 CG.2016.353, LES 2018, 125.

20. OGH 03.03.2017, 07 HG.2016.212, GE 2017, 141, Rec. 9.15.7.

21. See below at point 6 for an overview of the liability requirements under general tort law.

prove the causality of the damage with only marginal information, must not be enhanced by further procedural hurdles.

Following the reasoning of the Supreme Court, it must be ensured that the control instrument of Art. 924 para. 1 PGR is an effective tool for the protection of the trust property and compensates for the control deficit, which is inherent in Liechtenstein discretionary trusts, at least after the death of the settlor, on the basis of the recent case law of the Supreme Court

4. Right of the individual beneficiary?

According to Art. 924 para. 1 PGR, the trustee is personally liable to “the beneficiary” (“dem Begünstigten”) in the event of a breach of trust. It is not entirely clear from the wording of this provision whether several beneficiaries must act jointly or whether each individual can bring an action against the trustee for a breach of trust. Nevertheless, the wording, in particular the use of the singular, rather indicates that the legislative intention is that each beneficiary can act alone against the trustee in case of a breach of trust.

Liechtenstein courts have not yet had to deal with this question, nor has this question been dealt with in Liechtenstein legal literature to date. The analogous application of foundation law is also out of the question in this case, because only the foundation itself (under certain circumstances represented by a curator), but not the beneficiaries, has the capacity to take action against foundation board members who have violated their duties.²²

One indication is provided by § 98 para. 1 TrUG, according to which beneficiaries may individually or jointly demand that their rights shall be observed and fulfilled. This suggests that a claim which is the

consequence of the rights resulting from § 98 para. 1 TrUG can also be asserted individually. A further indication is the functional proximity to the *actio pro socio* in Corporate Law, where it is the responsibility of the individual shareholder to assert claims on behalf of the company.

The same conclusion can be reached by a comparison with Common Law, in which any beneficiary, who has a present or future interest in the integrity of the trust property, has a standing to initiate proceedings in respect of a breach of trust.²³

A comparative legal analysis thus leads to the conclusion that each beneficiary must be entitled to act on his own according to Art. 924 para. 1 PGR.

5. Object matter of the claim

a. Extent of the damage

Considering once again the wording of Art. 924 para. 1 PGR, it follows that the trustee is personally liable to the settlor or the beneficiary in accordance with the principles of contract law and with all his (personal) assets. The trustee’s conduct which caused the damage must therefore be unlawful and culpable and his actions or omissions must have caused the damage. With regard to the calculation of damages, Art. 924 para. 1 PGR does, due to the reference to general tort law, not contain any further provisions.²⁴ In legal literature, reference is made to Anglo-Saxon trust law when dealing with the question of which damages are compensable under Art. 924 para. 1 PGR. It is the predominant view that such compensable damage can lie in a reduction of assets, an increase in liabilities or in a loss of profit.²⁵ The authors agree with this view, as this also seems to follow from § 35 SA-PGR, which states that where the PGR refers to damage, the loss of profit should also be included. As *lex specialis*, the relevant provisions of the PGR take precedence over the concept of damage in the

22. OGH 03.11.2005, 01 CG.2003.209, LES 2006, 357 (Rec. 12.1); OGH 04.10.2001, 08 C 285/88, LES 2002,162 (Rec. 9.3); OGH 03.03.2017, 10 CG.2013.318, GE 2017, 165 (Rec. 8.2.5).

23. TUCKER LYNTON/LE POIDEVIN NICHOLAS/BRIGHTWELL JAMES (Publ.), *Lewin on Trusts* (2015¹⁹), p. 1888.

24. BIEDERMANN, *Treuhänderschaft des liechtensteinischen Rechts*, p. 171.

25. MOOSMANN, *Der angelsächsische Trust*, p. 270 et seq.

Civil Code (ABGB) and the differentiation of the damage to be compensated depending on the degree of fault, so that the relevant provisions of Common Law find their equivalent in Liechtenstein law.

b. Entitlement to claim

The wording of Art. 924 PGR, according to which the trustee is personally liable to the beneficiary, gives rise to a number of uncertainties and problems, as one might think that the claim under Art. 924 para. 1 PGR is a personal claim of the beneficiary to whom the trustee would be directly liable for compensation. It has been argued in the legal literature that this is plausible, since the damage incurred in the trust property is usually identical to the damage suffered by the beneficiary.²⁶ This view is not shared by the authors. One argument against it is that the damage suffered by the trust property, at least in the case of a discretionary trust, cannot be equated with a direct damage to the beneficiary. In foundation law—where the situation is very similar—it has been clarified by the Supreme Court numerous times that an only indirectly damaged beneficiary is not entitled to an original claim for damages against the foundation board acting in breach of its duties.²⁷ In the case of a trust, too, the damage suffered by the discretionary beneficiary can only be indirect and can hardly be demonstrated as a personal loss of a specific beneficiary. A beneficiary may only have an original claim if he has a legal claim (i.e. an entitled beneficiary) and therefore suffers a clearly quantifiable loss. However, such beneficiary would likely be able to assert the actual damages incurred directly on the basis of the general provisions of tort law.²⁸

In contrast to foundation law, in the case of trusts, which are not legal entities, it is not possible to appoint a curator to assert claims of the trust against trustees

acting in breach of their duties. It is therefore necessarily the beneficiaries' responsibility to assert such claims for the trust property, especially since they are the only ones who have an interest in preserving the trust assets, which are after all administered in their favour. This also follows conclusively from the overall legal conception of the relationship between the parties involved in the trust settlement: the task of enforcing the provisions of the trust instrument falls on the beneficiaries.²⁹ It is therefore only logical that the beneficiary can also seek to remedy a breach of the duty of proper trust management owed to him and that he can hold the trustee accountable.

This does not collide with the fact that according to the clear wording of Art. 924 para. 1 PGR, the claim arising from a breach of trust is only a subsidiary claim of the beneficiary. On the contrary, it already follows from this wording that it cannot be a direct claim of the beneficiary, since the settlor is not entitled to receive any payments from the trust fund. If, therefore, such claim is granted to the settlor, this clearly shows that it cannot be a personal claim for damages but a mechanism that serves to ensure the integrity of the trust fund. The settlor, as the person who has given the assets to the trustee for a specific purpose, ensures that the trustee uses them for that purpose. If there is no more settlor, the beneficiary has to assume this role.

The same conclusion can be reached by taking a look at Anglo-Saxon trust law. There too the beneficiary must sue for restoration of the trust fund.³⁰

Since the discretionary beneficiary has no legal claim to payments from the trust fund, this can only be understood to mean that, in the absence of other persons who have a legal interest in the proper administration of the trust fund, the beneficiary himself is entitled to demand restitution of the trust fund. Therefore, the

26. BIEDERMANN, *Treuhänderschaft des liechtensteinischen Rechts*, p. 170.

27. GASSER, *Liechtensteinisches Stiftungsrecht – Praxiskommentar* (2019), p. 338.

28. This is also the case in foundation law, which also recognizes claims for damages in the event of direct damage to a beneficiary; see for example OGH 05.11.2009, 10 CG.2005.300, LES 2008, 279.

29. Art. 927 para. 1 PGR;

30. CINCELLI, *Common Law Trust*, p. 205.

beneficiaries are not entitled to a potential claim for damages, but assert the damages for the trust.³¹

Dogmatically, it is reasonable to understand the beneficiary's entitlement to assert claims arising from breach of trust in favour of the trust fund as a form of representative action (*Prozessstandschaft*), which, in purely functional terms, has considerable similarities with the *actio pro socio* in the case of a shareholdership in corporate law.³²

c. Application of contract law principles

According to Art. 924 para. 1 PGR, the trustee is liable in accordance with the principles of contract law. This means that the trustee is personally liable with all his assets for any loss or damage that he has caused by violating his duties according to the law or the trust deed. In accordance with Anglo-Saxon trust law, the damage may be caused by a reduction in assets, an increase in liabilities or a loss of profit.³³

According to Art. 924 para. 1 PGR, the trustee is liable in accordance with the principles of contract law. This means that the trustee is personally liable with all his assets for any loss or damage that he has caused by violating his duties according to the law or the trust deed

In Liechtenstein legal literature, the reference to the principles of contract law is explained by the fact that the trustee is obliged to the beneficiaries to conduct business and use funds in accordance with the law and the trust deed. Thus, even though it does not result in a direct damage of a beneficiary, the damage caused to the trust fund through a breach of trust by the trustee at least translates to some sort of damage suffered by the

beneficiaries, so that the application of the contractual provisions to the legal relationship trustee/beneficiary is considered appropriate.³⁴

Consequently, the trustee is liable for slight negligence and a reversal of the burden of proof as stipulated in § 1298 ABGB applies. Thus, the trustee who has caused damage to the trust fund through conduct contrary to the law or the trust deed has to prove that he did not act negligently (not even slightly negligently), otherwise he is liable for the damage caused by his conduct.

The trustee who has violated his obligations must therefore restore the trust property from his own assets as if the damage he has caused had not occurred. For lack of any provision to the contrary, a potential loss of profit will therefore also have to be compensated in the event of both serious and slight negligence, which results in a stricter liability on the part of the trustee than under general tort law provisions. This stricter liability can be justified by the special role of the trustee in the trust structure, by the special trust-based relationship between settlor and trustee and, finally, by the remuneration of the trustee's services.

6. General provisions of Liechtenstein tort law

Under Liechtenstein law, damage is any prejudice caused to property, rights or persons. In particular, this also includes financial losses.³⁵ In order to be able to claim damages from a person, it is a precondition that this person or a person attributable to him has caused the damage (causality).

A behaviour is causal for a damage if the damage would not have occurred without the behavior. In the case of a positive action, it must be assessed whether the damage would have been incurred if this action had been omitted. In the case of damage by omission, it must be examined whether the

31. See BIEDERMANN, *Treuhänderschaft des liechtensteinischen Rechts*, p. 193 et seq.

32. This analogy was developed by LORENZ in another context; see LORENZ BERNHARD, *Zur Rechtsfähigkeit der liechtensteinischen Treuhänderschaft*; in: HEISS HELMUT (publ.), *Rechtsreform und Zukunft des Finanzplatzes Liechtenstein. Tagung aus Anlass der Eröffnung des Zentrums für liechtensteinisches Recht an der Universität Zürich* (2013), p. 160.

33. CINCELLI, *Common Law Trust*, p. 180; MOOSMANN, *Der angelsächsische Trust*, p. 270 et seq.

34. BIEDERMANN, *Treuhänderschaft des liechtensteinischen Rechts*, p. 170.

35. § 1293 ABGB.

damage would also have occurred if the behavior had been dutiful. However, the liable party is only liable for the damage that does not qualify as an extraordinary chain of unexpected circumstances (so-called adequacy).

Culpability is understood to be the personal reprehensibility of the illegal behavior. A person who sets a behavior, which he should have avoided and also could have avoided acts culpable. A distinction is to be drawn between intent and negligence, whereby negligence is the disregard of due diligence.³⁶

In the case of liability arising from a contract or due to the violation of a protective law (see below), a reversal of the burden of proof takes place with regard to guilt: It is not the damaged party who has to prove the guilt of the damaging party, but the damaging party who has to prove his/her innocence.

A further prerequisite for the emergence of a claim for damages is unlawfulness: A behaviour is unlawful if it violates commandments or prohibitions of the legal system (so-called protective laws) or offends common decency or if it violates contractual obligations (§ 1295 ABGB).

These general conditions for a damages claim need to be demonstrated in the case of a claim pursuant to Art. 924 para 1 PGR as well.

7. Business judgment rule

In 2009, the Liechtenstein legislator codified the Business Judgement Rule (BJR) in Art. 182 para. 2 PGR, thereby creating precise standards for the liability of persons acting as bodies of legal entities.³⁷ Based on the case law of the Supreme Court, the BJR is also applicable to trustees of a Liechtenstein trust.³⁸ In view of the fact that the trustee and the body of a legal entity perform similar tasks with regard to the management of assets, the liability-reducing effect of the BJR should also benefit the trustee, although the latter is not a body of a legal entity.³⁹

Therefore, if the decisions of the trustees

- are within the scope of the trust instrument,
- are based on appropriate information,
- have been made free of conflicts of interest, and
- have been made in good faith that they have been taken in the best interests of the assets to be managed,

the trustees act in accordance with their obligations. If the conditions for a correct discretionary decision are met, the trustees have not acted in breach of their duties and thus not in breach of trust (safe harbour).

8. Conclusion

Discretionary beneficiaries do—unlike entitled beneficiaries—not have legal standing to initiate supervisory proceedings. They therefore have no direct possibility to remedy acts or omissions by the trustee, which they feel adversely affect their rights or interests under the trust.

However, in its recent case law, the Liechtenstein Supreme Court has clarified that discretionary beneficiaries are entitled to claim damages resulting from a breach of trust under Art. 924 para. 1 PGR.

The beneficiaries' right to assert claims for damages under Art. 924 para. 1 PGR is of subsidiary nature and can only be exerted after the death of the settlor. Further, the beneficiaries are not entitled to a personal claim for damages based on Art. 924 para. 1 PGR, but can only demand restitution of the trust fund.

Under Art. 924 para. 1 PGR, the trustee is personally liable with all his assets for any loss or damage that he has caused by violating his duties according to the law or the trust deed. In accordance with Anglo-Saxon trust law, the damage may be caused by a reduction in assets, an increase in liabilities or a loss of profit.

The trustee may avoid liability under Art. 924 para. 1 PGR if he can prove that the conditions for a correct

36. § 1294 ABGB.

37. FRANCESCO SCHURR, *Wesensmerkmale der Asset Protection*, in: FRANCESCO SCHURR (publ.), *Handbuch des Vermögensschutzes*, 2015, p. 59 et seq.

38. OGH 14.06.2007, 10 HG.2003.17, LES 2008, 82.

39. FRANCESCO SCHURR, *Der Trust im Fürstentum Liechtenstein – Rechtsdogmatische und rechtsvergleichende Überlegungen*, in: HOLGER ALTMEPPEN/ HANNES FRITZ/ HEINRICH HONSELL (publ.), *Festschrift für Günther H. Roth zum 70. Geburtstag* (2011), p. 776 et seq.

discretionary decision provided for in Art. 182 para. 2 PGR have been met (Business Judgment Rule).

It will remain to be seen if damages claims for breach of trust will indeed serve as a viable means for discretionary beneficiaries or if the refusal by the Supreme Court to grant them legal standing in supervisory

proceedings will lead to a “control vacuum” in Liechtenstein trusts, which might ultimately lead to a depreciation of Liechtenstein’s standing as a trust jurisdiction. In any case, it is to be expected that the significance of liability claims against trustees will increase in the future.

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