

# Selecting the Appropriate Trustee

You are a good steward of your finances. You have considered how you would like your assets to be handled if you're unable to do so yourself. You are contemplating or have already implemented trust planning to control how your financial decisions will be made and to stipulate how your legacy will be passed to your beneficiaries. You've considered any potential tax concerns you may have. You are investing time, money and effort to get documentation in place to achieve these goals. Then, at some point, your attorney asked you who you wanted to be trustee of your plan.



## Who Did You Pick?

How much time did you give to this decision? Are you going to consult with the person you select to let them know the responsibility you are asking them to handle? Are they prepared to manage your assets when you are unable to do so? When the time comes are they willing and capable of managing your trust beneficiaries' financial assets, including the potential responsibility to tell your beneficiaries "no" for certain requests? Perhaps most important, do they have the time to perform these tasks?

A surviving spouse is the most common successor trustee, followed by either the oldest or the "most responsible" child/children. When making these selections, though, it's important to remember that a trustee is held to a fiduciary duty, one of the highest levels of responsibility (and liability) under the law. There are numerous state and federal laws governing

the management of a trust. Trustees are responsible for distributing trust assets, making investment decisions, following administrative requirements, filing tax returns, maintaining beneficiary communications, performing accounting and communication responsibilities all while upholding confidentiality requirements. In short, there's a lot of work to be done. It can be an arduous task fraught with risk and frustration.

## Thankfully, Your Financial Advisor Can Help

While Benjamin F. Edwards does not provide tax or legal advice, we do have trust relationships with several professional trustees. Those trustees can serve initially to make sure your legacy goals are implemented exactly the way you intended while relieving your family of these burdens, they can partner with your selected individual co-trustee(s) to

## Trust Services

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achieve these goals, or the professional trustee can be the “backstop” as the last listed trustee to provide a permanent solution should others be unable to serve.

When you utilize these relationships, your financial advisor works with the professional trustee to select an asset allocation for your trust, your assets can remain with Benjamin F. Edwards, and your financial advisor can provide continuity to the relationship with your beneficiaries and the trustee.

### Why Use A Professional Trustee?

Professional trustees can:

- Relieve relatives and friends from legal liability
- Avoid or minimize the burden to an individual trustee to manage the paperwork and responsibility

- Maintain family harmony with an objective decision maker for trust administration
- Ensure prudent, professional investment management
- Provide permanence and stability
- Deliver services with a dedicated staff of trained specialists: investments, administration, taxation, legal, accounting, special assets, etc.

It is important to select who the right fit might be to serve as your trustee. Work with your team of tax and legal professionals, along your financial advisor, to determine whether a professional trustee may be appropriate to help you meet your financial and legacy goals.

**IMPORTANT DISCLOSURES** This piece is intended to provide accurate information regarding the subject matter discussed. It is made available with the understanding that Benjamin F. Edwards is not engaged in rendering legal, accounting or tax preparation services. Specific questions on taxes or legal matters as they relate to your individual situation should be directed to your tax or legal professional.