

WHICH TYPE OF TRUSTEE TO CHOOSE

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There are several types of trustees a settlor may choose when establishing a trust as well as many different costs and benefits to consider. This paper is designed to review those types of trustees and offer guidance in selecting the best trustee for each individual client. There is no “one-size-fits-all” option, as each client’s needs and situation are distinct. In looking at which type of trustee to consider, this paper will first review the different types of trustees and then delve into the costs and benefits of each type. This paper also looks at considerations to make when nominating other fiduciaries, like the personal representative in a will and the agent under powers of attorney. This information is provided with an eye toward revocable trusts prepared for estate planning purposes, but, with limited exception, these guidelines apply to other types of trusts as well, including irrevocable trusts.

Fiduciaries (Trustees, Personal Representatives, and Agents) owe a variety of duties to the beneficiaries they serve. Understanding these duties and obligations is a necessary element to serving in any such role. Professionals and corporate trust departments understand these obligations well, but individuals will need to be taught this information by an attorney and other professionals to be an effective fiduciary.¹

1. Anatomy of a Trust

Before going into the types of trustees a client may choose, a brief word on terminology and structure is in order for those unfamiliar with trusts and estate planning. Every trust must have a trustee, settlor, beneficiary, and corpus.

“Trust” – A trust is a distinct legal entity, similar to a corporation or an LLC. A trust results when you separate the legal ownership of property from the right to benefit from such property (i.e. when you title assets with the trustee of the trust while allowing the beneficiaries to benefit from the assets). When a client creates a trust, they are creating a legal entity that will continue perpetually until it has exhausted its assets. When a client places assets in trust, they are transferring ownership from themselves to a third-party, specifically, the trustee of the trust. Even if the client also serves as initial trustee and is the beneficiary of the trust, the assets are still being transferred to a separate legal entity. This transfer (and the trust’s ongoing existence) is what makes trusts such a good estate planning vehicle. Upon the client’s death, the trust (through its trustee) continues to own and manage the assets. When the initial (individual) trustee dies, the successor trustee (who’s already named in the trust) will take over the management of the assets, and the decedent’s assets

¹ Fiduciary is defined at Okla. Stat. Tit. 60, §175.102 and includes an “executor, administrator, successor personal representative, special administrator, and a person performing substantially the same function[.]” Okla. Stat. Tit. 60, §175.103 elaborates upon fiduciary duties.

can continue to benefit the beneficiaries without court oversight or the level of interruption that occurs when a probate needs to be filed in the case of the client dying with assets titled in their name.

“Trustee” – The trustee is the manager of the trust assets. Like the president of a company, the trustee is obligated, and empowered, to transact the business of the trust, manage the trust assets, and make distributions in accordance with the terms of the trust agreement. It is common to see the terms “initial trustee” (i.e. the first trustee to serve-this is oftentimes the creator of the trust) and “successor trustee” (i.e. a trustee that serves after the initial trustee). There may be several successor trustees, and it is possible to be named as a successor trustee but not yet be serving as the trustee.

“Settlor” – Also called a “Grantor,” “Trust Maker,” or “Trustor.” Settlor is the term which will be used in this paper to describe the client/individual who creates the trust. The word choice comes down to the preference of the attorney drafting the trust, but the terms settlor, grantor, trust maker, and trustor are interchangeable.

“Beneficiary” – The individuals (or entities, like charities) which benefit from the trust assets. This generally changes over the lifetime of the trust. In the case of a living revocable trust created for estate planning purposes, the beneficiary is generally the settlor and their spouse, then their children. It can also be extended to the grandchildren and great grandchildren. Beneficiaries may be “income beneficiaries” (i.e. they only receive the income from the assets of the trust), or they may be entitled to the principal of the trust, or both.

“Heir” – An heir (sometimes called ‘next of kin’) is someone who would inherit from a decedent under the laws of the state where the decedent was a resident at the time of death.² This is generally the spouse and descendants of the decedent. If someone dies without a spouse or children, the parents (if any), then siblings are generally the heirs. An heir can be (and often is) a beneficiary, and vice versa, but that is not necessary. A settlor may choose to disinherit an heir entirely or limit an heir’s inheritance by naming other people as beneficiaries (i.e. non-profits, friends, or siblings who would not otherwise inherit).

“Corpus” – These are the assets held by the trust. In order to exist, a trust must own assets-it must have a corpus. During creation, this is often accomplished by placing \$1.00-\$100.00 dollars in the trust at formation. However, it is important that all assets owned by the settlor be placed in the trust prior to the death of the settlor so that probate can be avoided.³

² “A Testamentary disposition to ‘heirs[.]’ . . . vests the property in those who would be entitled to succeed to the property of such persons according to the provisions of [intestate distribution].” Okla. Stat. Tit. 84, §168.

³ Certain assets, such as retirement accounts, life insurance policies, and other assets should not be placed in a trust. The specifics of this are outside the scope of this paper and should be discussed in more detail with the estate planning attorney.

2. Types of Trustees

There are essentially three types of trustees:

- a) Individual – When used in this paper an “individual trustee” refers to someone that is biologically related to the settlor or someone that is a close family friend. This is likely the most common type of trustee chosen when a client is preparing a trust for estate planning purposes. In my decade-plus of estate planning experience, it was most often the settlor and spouse, then one or more children of the settlor (serving concurrently or sequentially) who would most often be named trustee. If the children were minors, this role often fell to one or more parents of the settlor.⁴
- b) Professional – When used in this paper, “professional trustee” refers to an attorney or CPA. A settlor may choose to name their attorney or CPA as the trustee if they have had a long-standing relationship, especially if the settlor does not have children or would prefer that the children not serve.
- c) Corporation (with trust powers) – Banks and other entities with trust powers (e.g. The Trust Company of Oklahoma) often serve as trustee for settlors without close family members or those settlors that would prefer their children not serve as trustee. This preference to avoid children serving as trustee could be because the children are believed to lack the capacity to effectively serve. However, in many instances, a corporation (or a professional) is named trustee because the settlor does not want to burden a child with the obligations of serving as a fiduciary or seeks out the benefits that come from a corporation or professional serving as the trustee.

3. Costs and Benefits of an Individual Trustee

Individuals generally provide a great deal of trust. These are people the settlor has often known for almost their entire life and with whom they have a close relationship. In the case of parents, children, spouses, and siblings, the individual has a close relationship and trusts the individual to manage their assets. Often, the individual chosen may have a background in, or profession involving, finance, math, or law.

With an individual, there is usually significant cost savings over the other options. Individual trustees often work for free or for a significantly cheaper amount than the alternative of hiring a professional or corporation. Some trusts provide for compensation

⁴ While not applicable directly to trustees, the Oklahoma Supreme Court and Oklahoma Legislature bar any individual from serving as a personal representative or administrator if they have been “convicted of an infamous crime.” Okla. Stat. Tit. 58, §102(2). This term has been interpreted by the Oklahoma Supreme Court to mean a felony conviction. *In the Matter of the Estate of Middleton*, 2018 OK 7, 412 P.3d 96 (Okla. 2018). While this prohibition only applies to persons appointed by the court to administer a probate estate, one must exercise extreme caution before naming a convicted felon as trustee, if at all.

for individual trustees, but this is rare. Generally individual trustees serve for no compensation. Rather, they serve to avoid additional costs to the family's inheritance.

As will be discussed below, the principal drawback of an individual trustee is a lack of experience and the type of specialized knowledge that is required to serve as a trustee. While an individual can "learn on the job," this can be a time-consuming and often difficult process requiring the retention of counsel, a CPA, and other professionals to guide the individual trustee in the commission of their duties. Further, individual trustees may lack a desire or motivation to serve. They may serve out of a sense of obligation to a parent or parents which can lead to ineffective or inefficient asset management.

As will be discussed in more detail below, individual trustees are not monitored by anyone but the beneficiaries. This can lead to concerns over misappropriation of funds by an individual which may go unnoticed until it is too late to make recovery from the trustee.⁵

4. Costs and Benefits of a Professional Trustee

An attorney or CPA often brings many of the benefits that an individual trustee can provide in terms of trust. Attorneys and CPAs are often named trustee when there has been a longstanding relationship and a great deal of trust has developed between the settlor and the professional. This arrangement can provide the settlor with a trusted person to serve as trustee, while also gaining the experience a professional provides.

Attorneys provide an exceptional understanding of the law, which will be invaluable as a trustee. Further, they will have connections within the community for the specific needs a trust may have-from financial advisors to tax preparers. CPAs provide an exceptional understanding of trust financials and will have similar connections in the community.

These professionals are able to make sound decisions without allowing emotions to sway them. Often, trusts can have confusing or unfair terms. While an individual trustee may be more likely to be swayed by pressure from an overbearing beneficiary or heir or may choose to interpret a trust in an inappropriate manner (either out of ignorance or due to a desire to accomplish a process more quickly and cheaply), a professional will read the terms of the trust strictly with the first priority to give effect to the settlor's intent without emotion or worry over offending a beneficiary.

The general drawback with naming an attorney or CPA as trustee is the cost, as professionals can charge hundreds of dollars per hour and bill the trust on an hourly basis. Because of this, professionals are generally named only in cases where the settlor has sizable assets and no individuals are available to serve in the role of trustee. Professionals may also be hesitant to accept the role of trustee due to the liability of serving and the

⁵ In *Brown v. Batt*, the Oklahoma Court of Civil Appeals removed an individual trustee, in part, due to the trustee inappropriately paying himself a commission without authorization from the trust or a court. *Brown v. Batt*, 1981 OK CIV APP 39, 631 P.2d 1346 (Okla. Civ. App. 1981).

frequent conflict and distrust that may result from beneficiaries-especially those beneficiaries that are not receiving as much under the trust as others similarly situated.

5. Costs and Benefits of a Corporate Trustee

Corporate trustees offer a variety of benefits that individual and professional trustees are simply unable to provide.

- a) Experience – When a corporate trustee is named, they bring combined decades of experience in the areas a trustee must be competent, including investing, taxes, business acumen, and legal understanding. In terms of naming a trustee with experience in managing trusts, a corporate trustee is unmatched. This experience shows in a variety of ways, including knowing how to follow terms of a trust with exacting detail and knowing when court intervention may be necessary. This includes confidence in pursuing court intervention quickly and efficiently if (and only when) necessary. Many lay people (and non-attorneys, generally) may be hesitant to go to court, but corporate trustees are well versed in navigating the legal system to obtain clarification about a provision or modify trust terms if it is required for the effective management of the trust and in trying to preserve the settlor’s intent.
- b) Purpose – Trust officers’ professional work is directed toward managing clients’ trusts of all shapes and sizes. Most individuals named to serve as trustee will have other obligations which will need to take priority over the management of the trust. Regardless of their place of employment, their duties of trustee cannot be prioritized over their duties to their job. Ultimately, the work as an individual trustee will need to be relegated to a weekend and evening activity. While this may be fine for many trusts, it can limit the amount of time a trustee is able to dedicate to the task of managing the trust’s assets and overseeing distributions. A trust officer, meanwhile, is tasked first with overseeing the trust and can dedicate as much time to the task as may be required to accomplish the management and distribution of the assets as timely and efficiently as possible.
- c) Continuity – One of the biggest reasons for using a trust as an estate planning vehicle is to provide continuity of ownership over the assets. These trusts are explicitly designed to outlast the settlor and continue to hold assets after the settlor has passed. While some trusts provide for the immediate distribution of assets after the settlor’s passing, many trusts are required to retain assets for the lifetimes of several beneficiaries, and even multiple generations.

In choosing a corporate trustee, the settlor is choosing continuity of management in synergy with the continuity of ownership provided by the trust. Corporate trustees exist in perpetuity. Although individual trust officers may come and go, corporate trustees can remain the same for decades. In some cases, this can be for decades after the settlor and their children have passed. Vision Bank manages multiple trusts which were first

established in the 1960s and 70s. While any individual or professional that could have been named in the 1960s would have long-since retired or passed, Vision Bank (formerly First National Bank and Trust Company of Ada) has continued to serve as the trustee of these trusts.

Beyond death and retirement, individuals (and professionals) can cease to serve for a variety of other reasons. Temporary or permanent disabilities could keep one from serving. Vacations could likewise present issues with efficient administration of trusts. Additionally, bankruptcy or the commission of certain crimes could prevent an individual from serving. Such concerns do not apply to trust departments.

- d) Oversight – When I was in private practice, I represented many individual trustees to provide legal guidance and assist the individual in understanding the procedures that needed to be followed. From assisting with the preparation of accountings to explaining the timing of distributions, trust terminology, and the need for trust tax filings, I provided a great deal of legal advice to many individual (and some professional) trustees. What I did not provide was the sort of exacting scrutiny that the Office of the Comptroller of the Currency or the Federal Reserve provide in their exams. I became a Trust Officer about a month before an exam with the Federal Reserve began at Vision Bank. This level of scrutiny is something I'd never dealt with in trusts managed by an individual or professional trustee. While an attorney can provide guidance to the individual trustee, federal examiners and internal and external auditors offer a level of oversight which is unmatched. These agencies are tasked with protecting the trust assets for the beneficiaries and have spent decades honing these skills. They do a good job of rooting out issues and discovering possible malfeasance in a trust department and offer the trust beneficiaries a level of third-party review that is not generally available to beneficiaries of a trust managed by an individual trustee. While a beneficiary or trustee could obtain counsel and forensic accountants to examine the trust, these services are incredibly costly and may not be practical except in the case of multi-million-dollar trusts. In appointing a corporate trustee, a settlor can rest assured that the trustee will be subject to frequent audits and examinations.
- e) Unique Asset Management – Beyond the depth of experience that comes from the years of service, corporate trustees offer the inherent capacity to manage a great variety of assets – from coin collections to companies. Corporate trustees maintain databases for the varied types of professionals required to effectively manage all sorts of assets. From CPAs and attorneys, to appraisers, jewelers, estate sale companies and ranch managers, corporate trustees are often just a quick phone call (or two) from being able to efficiently accomplish tasks which may prove overly burdensome for all but the most sophisticated of individuals.
- f) Documentation – Corporate trustees provide accounting services for their trust clients with accountants and quarterly statements. They also provide up-to-date documents

and updates regarding trust accounts and activities. Corporate trustees are required by regulators to review each account annually. In private practice, I dealt with many individual trustees who had failed to provide all beneficiaries with even a copy of the trust document, let alone annual (or quarterly) accountings. This would be unthinkable for a corporate trustee. Most attorneys have heard that one of the leading causes of bar complaints arises from a failure to provide consistent updates to clients. This is also an expedient way to be removed as a trustee. While I have never knowingly dealt with an individual trustee that was withholding information with malintent, often just the lack of information/communication on its own can lead to complaints over the management of the trust.⁶ In hiring a corporate trustee, settlors can rest assured that their beneficiaries will receive complete, accurate, and timely accountings in addition to all documentation and updates to which they may be entitled.

Additionally, in my time practicing law, I dealt with many clients-individual trustees-that struggled to maintain and locate all necessary documentation. Sometimes it was providing an unsigned copy of a trust document or missing one of several amendments to the trust. Individual trustees are not versed in law and not versed in knowing which documents are necessary to retain/provide. Or, they may simply lack good record-keeping systems. Individual trustees often lack the knowledge of who must receive a copy of the (properly executed) trust documents and, just as importantly, which people are not entitled to any information about the trust, including the existence of the trust. Corporate trustees must maintain good record-keeping systems and are well-versed in both the law surrounding the sharing of information, but also the requisite confidentiality of the information contained within the trust (up to and including the existence of the trust itself). Corporate trustees seek out and maintain all necessary trust documents for the effective management of the trust, whereas individual trustees may not.

- g) Availability – While an individual may be difficult to reach due to other obligations, corporate trustees have much greater availability. At Vision Bank Trust Department, we pride ourselves on being available whenever our clients may need us, both during and outside of standard work hours. When one officer leaves for vacation or due to illness, another officer is available to assist the beneficiaries.
- h) Objectivity – As with a professional trustee, corporate trustees are experienced in carefully reading and understanding terms in trust agreements. With this exacting level of detail, corporate trustees are better able to understand, interpret, and execute the

⁶ See, *Brown v. Batt, supra.*, 1981 OK CIV APP at ¶19, 631 P.2d at 1349 (“Most of the issues raised in this case resulted from the complete lack of communication between [the individual] Trustee and beneficiaries. If a tolerable relationship had existed, it would have been a simple matter to confer with beneficiaries as to both amount and propriety of the fee.”).

terms of each trust than an individual trustee. Trust terms are often complex, use legal terminology, and can be confusing to many lay people. This can often lead to misunderstandings on the part of beneficiaries who may desire more than is provided for them in the agreement.

In better understanding the terms of the agreement, corporate trustees are better suited to objectively address the emotions which beneficiaries have. In certain circumstances, trustees may be required to cut off funding to a beneficiary if they fail to meet certain conditions, such as dropping out of school or failing a drug or alcohol test. Other restrictions may be placed on the trustee. Along with cutting off benefits to a beneficiary the trustee may like, a trustee may be directed to make payments to a beneficiary engaging in (what an individual trustee believes to be) morally objectionable behavior. However, it is not the job of the trustee to judge such behavior, rather, they must objectively carry out the terms of the trust, regardless of their personal beliefs. Corporate trustees are removed from this emotional pull much more than a close friend or family member.

- i) Cost – The cost of a corporate trustee usually falls between the cost of an individual trustee and a professional trustee. Unlike a professional, who will usually use an hourly rate for billing, a corporate trustee’s rates are generally based on the total assets under management. As of the time of this writing, the percentage rates at Vision Bank are as follows:
 - a. 1% per annum for assets up to \$1,000,000.00;
 - b. 0.75% per annum for the next \$1,000,000.00 in assets; and
 - c. 0.5% per annum for assets over \$2,000,000.00.

These rates are monitored to make sure they are competitive in the communities Vision Bank serves. There are additional fees that may be charged (i.e. a percentage fee on collected rents and hourly fees for extraordinary work), but Vision Bank strives to keep our fees competitive and fair for our clients. My hourly rate was cut by 50%, from \$300.00 per hour to \$150.00, when I left private practice to come to the Trust Department. In my experience with professional trustees, they have charged their full hourly rate and bill hourly.

6. Types of Fiduciaries and Their Roles

In addition to a trustee, an estate plan also should include a personal representative, an agent under a power of attorney for finances and a power of attorney for medical, and a proxy under an advance directive for healthcare. This may be a single person or multiple people. However, care should be taken to determine which person or persons (whether an individual or corporate entity) should be named for each role. Each role is also tasked with managing specific assets at certain times.

The personal representative only manages assets titled in the name of the decedent at the time they pass which did not otherwise transfer due to a “pay on death” designation (like on a bank account), or assets held in joint tenancy with right of survivorship. The personal representative’s role is to manage and distribute these assets to the beneficiaries under the decedent’s will (which is often the trustee of the decedent’s trust). They must be appointed by a court prior to having any authority over the assets of the decedent.

The agent under a financial power of attorney is tasked with managing assets owned by the client when they are alive and which are held in the individual’s name.

The trustee manages the assets titled in the name of the trust, regardless of whether the settlor is alive or has passed away.

The agent under a medical power of attorney and the proxy under an advance directive make medical decisions for the individual.

As can be seen, there are three fiduciary roles which involve managing finances (trustee, personal representative, and agent under a financial power of attorney) and two roles where the purpose is for medical decision making (agent under a medical power of attorney and proxy under an advance directive). Unless there is a compelling reason to name different people, the same person should be named for each of the financial fiduciary positions and the same person should be named for medical decision-making roles. While these roles could all be filled with different people, it adds difficulty to an already complex process when there are multiple people managing someone’s finances or multiple people managing medical decisions.

Vision Bank is willing and has accepted each of the above roles and continues to do so in order to provide our clients with the most robust and efficient services, whatever their needs may be. Having one person for financial decisions and one person for medical decisions (or one person filling all roles) tends to be the best method for achieving a client’s goals in the most cost-effective manner and avoids unnecessary confusion in instances of multiple people attempting to manage various assets titled in the client’s name and the trust’s name.

7. Guidelines in Choosing the Type of Trustee

The purpose of this paper is not to convince you that a corporate trustee is the best choice for a trustee. The decision to appoint an individual, professional, or corporate trustee is unique to each situation and family. It fully depends on the settlor’s preferences and needs. However, there are some guiding factors that professionals should consider in assisting their clients in making such a choice.

- a) Family Dynamics – The first guideline to consider is the dynamics of the settlor’s family. If a family is comprised of children with a history of poor financial decisions, or children who are in conflict, those are good indicators that a professional or corporate trustee may be the better choice. Alternatively, if one or more children are financially savvy, attorneys, or professionals in the financial sector and the children get along, an individual trustee may be the best choice. If the settlor has a company and has been preparing one or more of the children to take over the family business, it may be best to leave management of the entire estate to such children (or it may be better to allow a third party to manage the trust, allowing the children additional flexibility to manage the company).
- b) Asset Size – The next guideline is the assets of the settlor/trust. I have established trusts for clients with less than \$100,000.00 in assets. Such a trust size would be too small for virtually any professional or corporate trustee. The assets simply would be depleted too quickly by fees. This is not good for the beneficiaries and should be avoided. Vision Bank generally accepts trusts with at least \$400,000.00 in liquid assets, though there are exceptions to this requirement. While each professional is different, in my experience, professional trustees are chosen for more sizable trusts, generally those with assets in excess of \$1,000,000.00. Hence, for any trusts being established which will have less than \$300,000.00 to \$400,000.00 in assets, it would be prudent to appoint an individual trustee unless you are certain the named trustee will agree to serve.
- c) Trust Purpose and Duration – Other guidelines are the duration and purpose of the trust. If a trust is to last for multiple generations and is anticipated to outlast the settlor’s children (or even grandchildren), a corporate trustee may be most appropriate as the corporate trustee will exist into perpetuity and should continue its existence through the termination of the trust-even if such a date is many decades in the future. If the trust is only to last through the death of the settlor and spouse before an immediate distribution of the trust assets is made to the children, an individual or professional trustee would likely be the best choice as corporate trustees may be hesitant to take such a trust. The purpose should also be considered. If the settlor plans to give all, or a substantial portion, of the trust to a non-profit, it may be better to have a corporate or professional trustee to avoid saddling an heir with the obligation of distributing assets to a third-party, as this may lead to resentment.
- d) Be Prepared to Assist – Ultimately, this decision rests with the settlor, but settlors often seek guidance from their attorneys and CPAs in making such a decision. Hence, it is imperative that estate planning attorneys (and professionals generally) be educated in providing such guidance. The best choice for trustee may change over the course of a settlor’s lifetime. When they have young children, it may be best to appoint a corporate or professional trustee. As those children age, they may grow to be capable of managing the trust assets for the benefit of themselves or their children.

- e) Draft with Corporate Trustee's Requirements in Mind – If a corporate trustee is chosen, or if a professional trustee who is not the drafting attorney is chosen, it is imperative that the drafting attorney and settlor communicate early and often with the appointed trustee. Depending on the type of assets held by the trust, Vision Bank may require specific language be contained in the trust for effective management of such assets. Some corporate trustees require specific language regardless of the type of assets to be held in trust. Because of this, and by way of planning generally, it is best to communicate with the corporate (or professional) trustee prior to executing the estate planning documents. At Vision Bank Trust Department, we are always happy to speak with individuals and professionals in more detail about the services we offer and whether we might be a good choice to serve as corporate trustee.

- f) Notify All Successor Trustees ASAP – Corporate trustees ideally want to be involved from the planning stages. They also want copies of executed documents as soon as they are named in a trust (or will, or power of attorney). Even if they may not serve for years, if ever, all successor trustees (and personal representatives and agents) should be notified that they have been named and where they fall in the order of succession. They should also be provided with a copy of the trust documents. Corporate trustees also want to know if they have been removed as a successor trustee. As discussed above, the best trustee (or successor trustee) for a settlor may change over the settlor's life. If a trust is amended to change the identity of successor trustees, they should be notified so their records can be updated. Vision Bank is named as successor trustee in several trusts where it is unlikely we will need to serve, but knowing we are named allows us to monitor the trust over the upcoming years and be ready to step into the role of trustee if we are ever needed.

- g) Work Together to Assist the Client – Corporate (and professional) trustees can assist with funding the trust-even before serving in the capacity of trustee. By notifying the corporate trustee that they have been named (even if they have yet to serve), the successor trustee is able to begin the process of ensuring all records are complete and signed and that all assets have been transferred. This is done to ease the burden on the corporate trustee once it is their turn to serve, which will allow for a more efficient and expedient distribution of assets to beneficiaries entitled to the funds. If assets are not transferred to the trust, it may require a probate. If a probate needs to be filed to fully fund the trust, it can delay distributions for months or years. Further, the Personal Representative will be unable to control the assets until a court signs Letters allowing same. This can prevent management of estate assets for weeks or months, which is a huge problem if it includes a company with payroll. Advising a successor corporate or professional trustee of their status also allows the successor trustee to point out any errors that may need to be corrected while the settlor is alive so amended documents can be signed correcting any errors. If this is not done while the settlor is living, it can lead to time- and asset-consuming petition in court to correct these errors.

8. Conclusion

There are many considerations in choosing the correct trustee for any given trust. While it is the settlor who must ultimately make this decision, it is imperative that professionals be well versed in the types of trustees available to a settlor as well as the costs and benefits of each type of trustee. A professional guiding a client in such a decision must also be sure to inform the client that this decision may be changed as their lives progress and different life events lead to different needs in a trustee. By keeping the above in mind, attorneys and CPAs should be better equipped to assist their clients in this area of their lives.