

What is wrong with most corporate trust companies?

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They only want BIG trusts. If you have less than 5 to 10 million dollars under their control as trustee, they relegate you to an 800 number or to the continuous turnover of low-level employees. This is true of major trust companies almost uniformly.

They want to not only be your trustee, but they also want to be your investment manager, which means putting you into their own mutual funds. You do not get any personal investment guidance and management.

Most trust companies are owned by large publicly held financial services firms that have “cross-marketing” needs. This creates a privacy concern.

They will not hold all of your assets as trustee, so you still have to be the trustee for some of your assets or find someone who will. Assets such as real estate, private businesses and limited partnerships or other esoteric assets are not usually held by corporate trust companies.

They are often out of state and out of touch with your personal needs and concerns.

These are just some of the reasons most people do not want a corporate trustee involved in their personal affairs and with their trust. There are alternatives between appointing a corporate trustee!