

Common issues you may want to explore with your Advisor & Successor Trustee

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- Co-trusteeships – what are the rules?
- Can the Successor trustee appoint a successor trustee without having to go to court?
- Does the grantor want to give assets outright to their beneficiaries or in trust (credit or marital issues)?
- Living Trusts are not Wills and are effective when executed; Does the successor trustee respect the formalities that must be adhered in managing a trust?
- Living Trusts that have the A/B trust provision and the net worth is substantially under \$5 million for a married couple ask if an A/B is recommended?
- Does the successor understand the importance of an accounting?
- Does the Trust grant the successor trustee the power to make gifts?
- Should a family therapist and or mediation be considered?
- Many people place individuals in as their successor trustees with the idea that they will only serve upon their death; not true – with the increase of dementia and Alzheimer's disease many will need to depend on their successor trustee to prevent a conservatorship, provide financial services and determine where the parents will live. Does your successor Trustee know about hospice, board and cares, medical industry, care giving, etc.?
- Should your successor trustee seek out a financial advisor who adheres to a fiduciary standard? an Investment Policy with expected rate of return, asset allocation, fees and expenses spelled out.
- Corporate trustees have a personality and do operate differently - they are not all the same. (US trust sold to B of A – CEO resigns over culture conflict) – do you understand the corporate culture and minimum value of the trust the corporate entity requires?
- Attorneys are not counselors and cannot afford to explore whether a corporate, private or family member is appropriate to be successor trustee.
- The easiest part of being a trustee is managing the money; do you understand that the adult children are another matter?
- Have you informed your Successor trustees that they will need legal, accounting, financial advisor professionals to administrate your trust successfully?