
FACTORS TO CONSIDER WHEN SELECTING A TRUSTEE

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THE ROLE OF A TRUSTEE

Job description of a trustee

- Obligated to act in the best interests of both current and future trust beneficiaries
- Must comply with specific trust provisions as well as state and federal laws
- Personal liability may exist for any breach of fiduciary duty
- Maintain complete, accurate and detailed records of income, principal, distributions, purchases and sales of trust assets
- Prepare and file fiduciary income tax returns
- Oversee service providers
- Manage beneficiary distributions; report to beneficiaries

Keep these factors in mind when deciding on whom to name as trustee

RESPONSIBILITIES OF A TRUSTEE

IMMEDIATE RESPONSIBILITIES

1. Review the trust document and its provisions.
2. Inventory trust assets.
3. Meet with the attorney who drafted the trust.
4. Meet with the grantor and beneficiaries.

ONGOING MANAGEMENT OF THE TRUST

5. Ensure trust provisions are followed.
6. Invest trust assets.
7. Collect income and dividends.
8. Maintain records of all transactions.
9. Defend the trust against challenges.
10. Make discretionary decisions.

RESPONSIBILITIES OF A TRUSTEE

RECORDKEEPING RESPONSIBILITIES

- 11. Maintain investment, tax and disbursement records.
- 12. Issue regular statements of account to the grantor and/or beneficiaries.

PERIODIC RESPONSIBILITIES

- 13. Meet with grantor and/or beneficiaries to reevaluate purpose and performance of trust.
- 14. Implement necessary changes.

DISBURSEMENT RESPONSIBILITIES

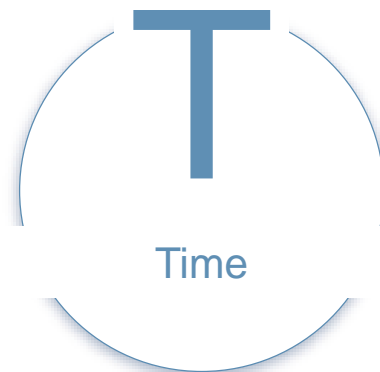
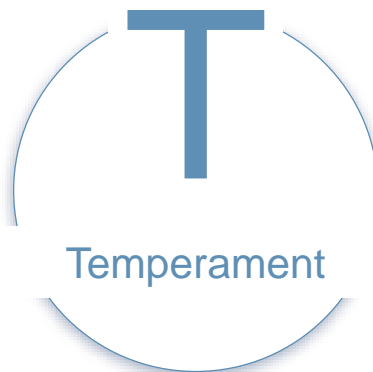
- 15. Disburse trust income and/or principal to beneficiaries as appropriate.
- 16. Pay bills and expenses of grantor or beneficiaries as appropriate.

PERSONAL RESPONSIBILITY AND LIABILITY

- 17. Make tax decisions concerning the trust.
- 18. File the trust's income tax return.
- 19. Issue tax reports to beneficiaries.

FACTORS TO CONSIDER

Three “T’s” of effective trustees

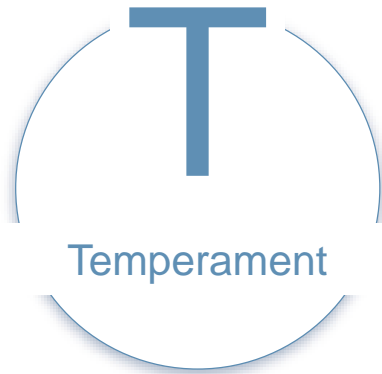


TECHNICAL KNOW-HOW



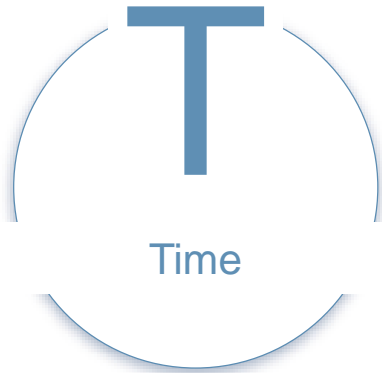
- ▶ **Legal**
- ▶ **Tax**
- ▶ **Investment**
- ▶ **Accounting**
- ▶ **Reporting**

TEMPERAMENT



- ▶ **Diligence & detail orientation**
- ▶ **Objectivity**
- ▶ **Integrity**

TIME



- ▶ Time in terms of hours in the day



- ▶ Time in terms of years



WHAT ARE YOUR OPTIONS?

Spouse, family
member, friend?



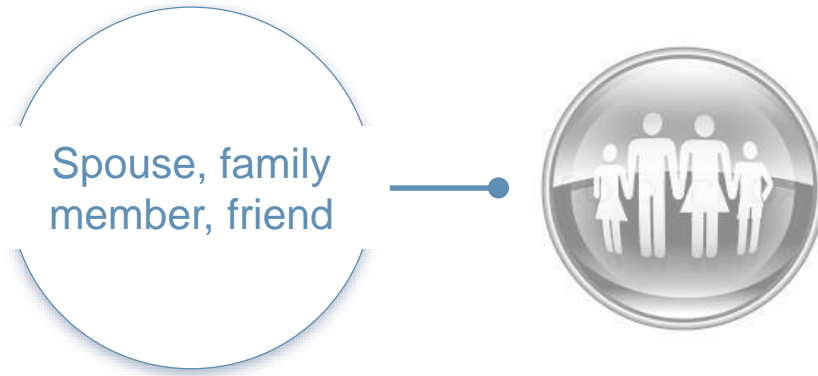
Professional advisor?



Corporate trustee?



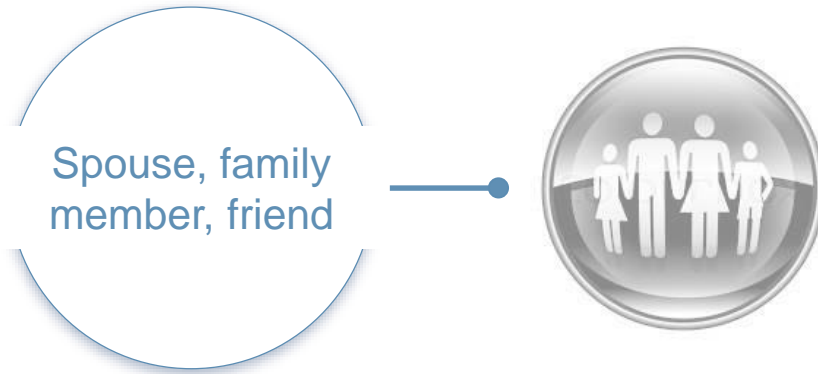
YOUR OPTIONS – SPOUSE, FAMILY, FRIEND



Advantages

- ▶ Usually little or no trustee fees – but they do have the right to charge a fee
- ▶ Knows your intentions
- ▶ Sensitivity to your family's needs

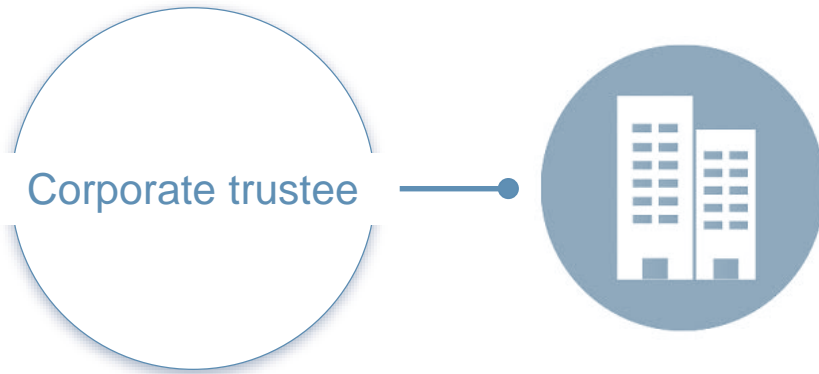
YOUR OPTIONS – SPOUSE, FAMILY, FRIEND



Disadvantages

- ▶ Little to no knowledge on how to administer a trust or in managing trusts
- ▶ May not have the time (full time job, travel, family, etc.)

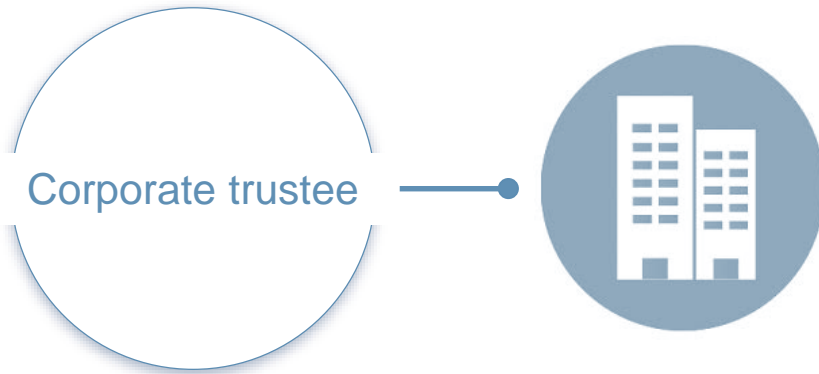
YOUR OPTIONS – CORPORATE



Advantages

- ▶ Technical competence in all areas
- ▶ Objectivity
- ▶ Perpetual life
- ▶ Audits, regulation, insurance all help eliminate risk of fraud

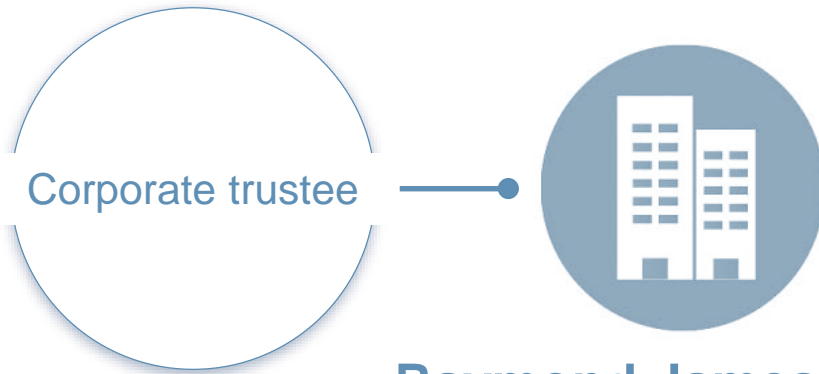
YOUR OPTIONS – CORPORATE



Disadvantages

- ▶ Fees
- ▶ Lack of family knowledge
- ▶ Irregular or uneven service

YOUR OPTIONS – CORPORATE



Raymond James Trust

- ▶ Competitive fees compared to other trust companies
- ▶ As your advisor, I can provide the knowledge and background on your family to Raymond James Trust
- ▶ You are assigned one trust officer that you and I will keep in contact with
- ▶ Can work with a co-trustee, such as a family member or friend

ABOUT RAYMOND JAMES TRUST

Raymond James Trust

- ▶ National Trust Charter; subsidiary of Raymond James Financial
- ▶ Established in 1992; 5 offices throughout the U.S.
- ▶ Can serve as trustee, co-trustee, custodian, personal representative or agent to trustee
- ▶ Over \$3.5 billion in assets under administration
- ▶ Over 90 seasoned and experienced trust professionals
- ▶ Advisor remains as your local contact

THINGS TO KEEP IN MIND

- ▶ We can determine together who would be the best trustee for your specific needs
- ▶ You have the option to name co-trustees where a family member and corporate trustee can serve together
- ▶ At the very least, you should consider naming a corporate trustee as a back up (successor trustee) – in case anything happens to those you name as trustee or if the trustee resigns
- ▶ You can generally change your trustee at any time

QUESTIONS



Any
Questions