

Why name a corporate trustee?

What is a trustee?

A trustee has the fiduciary duty, legal authority, and responsibility to manage your assets held in trust and financial matters on your behalf. The trustee can be an individual, corporation, or association.

Depending on the nature of your trust, the trustee may be required to perform a number of varied and complex duties, including:

- Investing and managing your trust's assets in all market conditions
- Paying your bills and expenses if you are incapacitated or absent
- Making income and principal distributions to beneficiaries according to the terms of your trust agreement
- Maintaining detailed financial records
- Making periodic account and tax reports to beneficiaries
- Preparing and filing the trust's income tax returns

The advantages of choosing a corporate trustee

Before naming a trustee, it's necessary to understand the complexity of roles they play in administering a trust. If, for example, you are considering an individual such as a family member or a trusted advisor, make sure they have the time, knowledge, and desire to assume this role. Also, your choice may be competent and trustworthy, but their personal circumstances may change—they may predecease you, retire, or move to another location.

For all these reasons, you may want to consider naming a corporate trustee. A corporate trustee can provide:

Objectivity. A corporate trustee is dedicated to following your instructions faithfully, and making decisions objectively and impartially.

Experience. Corporate trustees are professionals who specialize in trust and estate administration—many have training that individuals lack.

Permanence. Administering a trust often requires many years of commitment. A corporate trustee is typically a large institution with a long history that will be available to serve you and your beneficiaries over the long term.

Compliance. Although the law is very specific about how all trustees must perform their fiduciary duties, a corporate trustee is subject to internal and external compliance and procedures, and to government regulations.

Reliability. Compared to individual trustees, corporate trustees are bound to serve in the higher standards of a profession to provide maximum protection of the assets under administration.

You should review your will and trust every couple of years to confirm that it continues to meet your needs.

Evaluating a corporate trustee

Before you make the important decision in selecting a corporate trustee, visit as many estate planning professionals or financial advisors as you can and ask:

- How long have you been in business?
- How many trusts do you manage and what is the minimum and average size of trusts managed? (Most require a certain amount of assets)
- How much experience do your people have in the trust business?

Be sure to:

- Gauge for yourself the amount of attention you and your beneficiaries are likely to receive
- Compare investment returns, fees, and services
- Ask for samples of statements or reports you would receive and see how easy they are to understand

Facts and numbers are certainly important, but it's the people you will work with who are critical.

- Do they seem to care about you and your family?
- Do they listen and understand your concerns?
- Are their answers to your questions clear and concise?
- How comfortable are you that they will be there for you and your family when you need them?

Cost considerations

While it's true that a family member frequently serves as trustee without charge, it's the exceptional individual who can manage the affairs of a trust without enlisting the help of professional accountants, bookkeepers, asset managers, attorneys, or other specialists. The cost of these professional services is charged directly against the trust. Additionally, when these professional service fees are compared to the cost of a corporate fiduciary, the expense of individual specialists can be higher.

Why Wells Fargo Bank?

For more than 150 years, Wells Fargo Bank has helped individuals and families build, manage, preserve, and transfer their wealth. This tradition continues today. With Wells Fargo Bank, N.A. as your corporate trustee, you can depend on your trust assets being managed with a high level of knowledge, integrity, and skill.

Wells Fargo Bank trust officers have extensive experience in managing a variety of assets and different types of trusts. They have specialized knowledge in many areas critical to trust and estate administration, including taxation, law, accounting, and real estate.*

When you name Wells Fargo Bank as a trustee or co-trustee for your trust, you can help lessen the burden on your loved ones, and have the comfort that comes from knowing that your trust reflects your values and promotes your most important wealth goals.

*Wells Fargo & Company and its affiliates do not provide legal or tax advice. Please consult your legal and/or tax advisors to determine how this information may apply to your own situation. Whether any planned tax result is realized by you depends on the specific facts of your own situation at the time your tax return is filed.

Wells Fargo Private Bank provides products and services through Wells Fargo Bank, N.A. and its various affiliates and subsidiaries. Wells Fargo Bank, N.A. is a bank affiliate of Wells Fargo & Company.

Brokerage services are offered through Wells Fargo Advisors. Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC and Wells Fargo Advisors Financial Network, LLC, Members SIPC, separate registered broker-dealers and non-bank affiliates of Wells Fargo & Company.

Wells Fargo Bank, N.A. offers various advisory and fiduciary products and services including discretionary portfolio management. Wells Fargo affiliates, including Financial Advisors of Wells Fargo Advisors, a separate non-bank affiliate, may be paid an ongoing or one-time referral fee in relation to clients referred to the bank. The bank is responsible for the day-to-day management of the account and for providing investment advice, investment management services and wealth management services to clients. The role of the Financial Advisor with respect to Bank products and services is limited to referral and relationship management services.