

Professional Trustee Services

The Benefits of a Professional Trustee

If you are thinking about setting up an irrevocable trust, or making gifts in trust, you may need to designate someone other than yourself as trustee.

There are many benefits to having a professional trustee involved. To help determine if you could benefit from the services of a professional trustee, consider the following situations:

- My spouse took care of all of our investments, since he (she) died, I don't know what to do or who to trust.
- I just received an inheritance; I've never had to manage this much money before.
- I travel a lot now (business or pleasure) and I don't have time to manage my investments like I used to.
- I recently sold my business (or other assets) or received a settlement from a lawsuit, divorce, etc.
- I'm executor/personal representative of my parent's estate (or trustee of a trust) and I don't know what to do or how to do it.
- I worry about what will happen to my assets if I become incapacitated.
- I'm concerned about my parents' ability to manage their finances and I don't have the time to help them.
- My children are not responsible with money and/or have special needs. How can I protect their inheritance after I die?

WHAT IS A PROFESSIONAL TRUSTEE?

When you set up a trust, you need to name a trustee to manage and administer the assets your trust controls. Generally, a professional trustee is a bank trust department or trust company.

Professional trustees may act in a number of capacities, and assist you in several ways:

Trustee — You may not have the time, desire, or experience to manage and administer your trust yourself. A professional trustee has responsibility for managing and administering your trust, and overseeing investment management, according to your instructions.

Directed Trustee — If your trust is governed under Delaware statutes, you have the option to name yourself or another individual as the Investment Adviser (this is not the same as the advisory role that your RBC Wealth Management® Financial Advisor may have when providing investment management services). In this case, the professional trustee would act only in an administrative capacity, and you would retain investment responsibility and the authority to employ your Financial Advisor to provide investment management of the trusts financial assets.

Co-Trustee — If you want to take advantage of a professional trustee's experience but still be involved, designate yourself or another individual as co-trustee.

Agent for Trustee — You could name a professional trustee as your agent. This is often a step taken by an individual trustee who wants to tap into the resources of a professional trustee, or have a "test drive" of the services without giving up fiduciary authority. The professional trustee can provide trust accounting, tax reporting, and bill paying - at the direction of the individual trustee.

Successor Trustee — If you decide to be your own Trustee or name another individual, consider naming a professional trustee as the successor trustee. In this capacity, they will step in only when you can no longer act due to incapacity or death.



RBC Wealth Management®

Professional Trustee Services, continued

- You'll gain the advantage of years of experience.
- You'll receive uninterrupted, professional service.
- You'll value their objectivity.
- You'll tap into their resources.
- You'll enjoy peace of mind.

If any of the following apply to your situation, you might consider using a professional trustee.

TECHNICAL BURDEN FACTOR

- Does your family want to spend the time and effort after the death or incapacity of a loved one?
- Does your family have the financial awareness, astuteness, and acumen?
- Do you "carry the ball" with the family finances?

FAMILY DYNAMICS

- Is this a second marriage situation?
- Are you living with a non-related party?
- Is there a family business?
- Is there a history of litigation between family members?
- Are there spendthrifts in the family?
- Are there other family issues?

COMPLICATED ADMINISTRATION

- Can your family member handle the accounting and record keeping demands?
- Is there a complex disposition of assets?
- Do you have difficult tax situations?

SPECIAL ASSETS

- Is there a closely held business?
- Is there non-residential real estate?
- Are there oil and gas mineral interests?
- Are there many receivables and payables?

HOW CAN RBC WEALTH MANAGEMENT HELP?

Your trustee selection may affect the ability of your Financial Advisor to provide investment management services related to the assets held in the name of the trust.

As a client of RBC Wealth Management, you have access to professional trustees who provide trust account management and administration, while you continue to receive the personalized investment management services you've come to expect from your RBC Wealth Management Financial Advisor.

Talk with your Financial Advisor today about the benefits of professional trustee services available to RBC Wealth Management clients.

Trust services are provided by third parties. Neither RBC Wealth Management nor its Financial Advisors are able to serve as trustee. RBC Wealth Management does not provide tax or legal advice. All decisions regarding the tax or legal implications of your investments should be made in connection with your independent tax or legal advisor.

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