

WHAT SHOULD YOU LOOK FOR IN A TRUSTEE?

TRUST-ABILITY

This is probably the most important consideration of all. Your trustee must be trustworthy. If you pick someone who can be trusted, you are at least half way home. Keep in mind, not all trustees need to be related to you.

ABILITY TO COOPERATE

In many cases you will choose to have more than one trustee serving at a time. It is important that trustees are willing and able to cooperate with each other in order to fulfill the purpose of the trust. Someone who is unwilling to listen and discuss issues honestly and openly may be a bad choice for trustee.

WILLINGNESS TO SEEK ADVICE

In today's world, a trustee needs to make decisions involving accounting, investments, law, tax and other areas. Being an expert in each of these areas is just not possible. So a good trustee will seek advice from other experts. Look for a person with a history of seeking competent advice and making good decisions based on that advice.

ADMINISTRATION SKILLS

A good trustee will have (or hire) good administration skills. They should either be good with details and organization or have someone in their life that takes care of the details for them. Finding someone that crosses every "t" and dots every "i" is important.

FINANCIAL EXPERIENCE

A good trustee will have some financial experience. They do not need to be expert investment managers, as that skill can be purchased. What is important is for a trustee to be able to listen to investment advice and be able to determine when that advice is sound or not. The fiduciary obligations required are a legal commitment to you and your family.

UNDERSTANDING OF FAMILY HISTORY AND CULTURE

Depending on whether the trust is designed to be in existence for a long period of time, this ability to know the family, know how the matriarch and the patriarch made their money and how they used it to raise their children can be very important in carrying on that family culture to future generations. A trustee should know about your family's values.

ABILITY TO DEDICATE TIME

While a first choice for trustee might be one or more of your children, you need to be realistic about how much time each child can devote to trustee duties. Your children may have young children of their own to raise and they may have careers to pursue. They may have every trait required of a good trustee, but for the fact that they have little time to devote to the job. In these situations, it is critical to have a discussion with them before naming them as trustees.

Of course as your children get older and their lives change, they may become better suited to the job of trustee.

COMMON SENSE

A trustee's job involves some technical duties, such as tax filing and accounting, but for the most part, it requires decision making ability. You want someone who can deal with issues on a practical level and someone who can bring life experience to bear. What you don't want is someone who will spend \$5,000 to get advice on a \$1,000 decision.

HEALTHY

While future health is not guaranteed, it best to pick a trustee who is healthy today and who does not have a history of serious health problems.

Any sustained inability to perform trust duties can have a negative impact on the trust and the trust beneficiaries.

A VIEW OF THE WORLD LIKE YOURS?

Like health, world views can change. But if you have specific ideas about how money should be managed or distributed, choosing a trustee who shares your view is one way to help ensure that the intent of the trust –your intent- will be fulfilled.

WILLINGNESS TO SERVE

Of course, it is important to pick a person who is willing to perform the duties of trustee. In many cases, you are not legally required to inform a person that you have named them as your trustee, but it makes sense to do so nonetheless. If for no other reason than to determine that they agree to take on the responsibility.