



HIGHTOWER
Trust Company

CASE STUDY

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Role of a Trustee

CLIENT PROFILE: Mr. and Mrs. Smith are owners of a successful landscaping business who have invested much of their personal net worth with their Hightower advisor. Their attorney has advised them to put a portion of their assets into a joint irrevocable trust for tax benefits, creditor protection and privacy of assets, among other things. The Smiths know that a trust needs to be managed by a trustee, but they have no knowledge or experience in how to manage one.

CHALLENGE: Although the Smiths are natural entrepreneurs and expert landscapers, they have no experience with trusts or the role of a trustee in overseeing it. Their attorney has described in detail the benefits to putting their assets in trust and has drafted a trust agreement for their signature, but is now asking them to name a trustee so that they can finalize things. The Smiths turn to their Hightower advisor for advice on how to move forward.

SOLUTION: Luckily, the Smith's advisor at Hightower is able to connect them with the **FIDUCIARY SERVICES OF HIGHTOWER TRUST COMPANY**. The trust officer met with the Smiths and provided a thorough description of the role of a trustee in managing a trust. Importantly, the trustee has a fiduciary duty to administer the trust accurately and in accordance with the trust agreement, as well as to prudently manage the assets and provide consistent and transparent communication to grantors and beneficiaries. After learning about the many responsibilities involved in acting as trustee, the Smiths were relieved when the trust officer explained that they can name Hightower Trust Company as trustee in their trust agreement, allowing experienced and skilled professionals to manage the trust while the Smiths devote their own time to building their business. Here's what the Smiths learned about the primary responsibilities of a trustee:



01

ADMINISTRATION: The trustee has a fiduciary duty to the trust's beneficiaries and must administer a trust in accordance with the grantors' wishes and act impartially in balancing the needs of current beneficiaries and future remaindermen. The trustee is responsible for filing necessary tax returns, making distributions and paying bills and expenses. By naming Hightower Trust Company as trustee, the Smiths had the confidence that their trust would be administered properly and professionally.

02

ASSET MANAGEMENT: The trustee oversees the management of the trust's assets and investment portfolio and must act in a prudent fashion, in accordance with fiduciary oversight laws and regulations. The Smiths' trust assets consist of cash, stocks and bonds, and real estate. Hightower Trust Company has the ability to leverage specialized expertise and experience in managing these types of assets, and will coordinate with the Smiths' Hightower advisor, as well as their accountant, to help ensure that taxes are filed and appropriate distributions are made.

03

COMMUNICATION: The trustee must keep detailed records of the trust's assets and transactions and communicate this information regularly. The Smiths receive detailed trust statements from Hightower Trust Company every month, and their trust officer is available to answer questions or address any concerns. This gives them the freedom to concentrate on other things.

RESULTS: The Smiths gained confidence knowing that the trust will be managed according to their wishes and in compliance with all laws and regulations, which will allow them the time and freedom to concentrate on building their business and increasing their net worth. Hightower Trust Company's seamless integration with their Hightower advisor, as well as communication with the Smiths' external advisors, provides a "one-stop shop" for their wealth planning needs and a solid foundation for a long-term relationship.

CONCLUSION

The trustee's role is central to the effective and responsible management of a trust, as the trustee will be ultimately responsible for the overall coordination of administrative, investment, and legal interests and requirements. Hightower Trust Company has the infrastructure, experience and expertise to act as trustee, helping to ensure that trust and estate plans are carried out in accordance with clients' wishes.

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