



The Road to (Trustee) Hell Is Paved with Good Intentions

As those with experience will tell you, the role of an individual fiduciary, whether it be as a trustee or personal representative of an estate, is complex and time consuming. The inexperienced can quickly become overwhelmed by the many, often unfamiliar, demands placed upon him.

The individual fiduciary must separate the trust assets from his own, protect and maintain those assets, and prudently invest for the benefit of both the current and future trust beneficiaries.

The individual fiduciary also must maintain accurate trust records that reflect the principal assets and the income earned, provide reports of trust holdings and activity to beneficiaries, and ensure that all tax filings are timely and accurately completed.

And all of the above is just the beginning.

Above all else, the individual fiduciary must always be cognizant of his duty of loyalty and impartiality to the beneficiaries in all matters related to the trust or estate.

Even when an individual fiduciary works diligently to carry out all of the estate or trust's responsibilities, he may still find himself struggling to meet expectations. The courts are filled with cases involving individual fiduciaries who served with the best of intentions, but who still ended up in a dispute with one or more beneficiaries.

For all of these reasons, and for many others, individuals serving in a fiduciary capacity are strongly encouraged to seek guidance from experienced advisors.

For those individual trustees and personal representatives who want to fulfill their duties but desire assistance in meeting all of the legal and other requirements of a fiduciary, Trust Company of Oklahoma (TCO) offers our agency services. When I speak with individuals currently serving in a fiduciary capacity, they are often surprised to hear that there is a way to gain access to our expertise without having to give up the role they have accepted. There is a common misperception that a professional trust company is only willing to act when it is named as trustee or personal representative in the governing document.

This is not the case. Through our agency services, TCO is able to guide and advise the individual fiduciary who wishes to benefit from our years of experience and expertise in all aspects of asset management and estate and trust administration while still maintaining his control and decision making responsibilities.

As part of every agency relationship, we work with the individual fiduciary to accomplish the following:

- Establish an appropriate investment program featuring a diversified portfolio designed to balance the needs of both the current and future beneficiaries.
- Provide custody of all assets along with day-to-day administration, including collecting trust income, paying bills and making other distributions as authorized under the governing document.

- Maintain accurate record keeping, including principal and income accounting.
- Produce periodic statements of the trust or estate account holdings and activity for delivery to the beneficiaries.
- Generate tax information for use by the tax preparer to complete and file all necessary trust tax returns.

In addition to those services above, the individual fiduciary will have access to experienced and unbiased professionals who will work with him to make the difficult decisions and manage family dynamics when necessary. In fact, it is the family member serving in a fiduciary capacity who may most benefit by hiring an agent. When family is involved, the ability to rely on an unbiased professional to guide decision making and communicate to the beneficiaries can go far in maintaining family harmony. TCO recognizes that each trust and estate has its own unique circumstances and personality. When TCO is appointed to serve as agent, we tailor our services and identify the appropriate resources to meet the particular needs of each relationship.

The role of individual fiduciary is both honorable and challenging. By employing an experienced and trusted agent such as TCO, the individual fiduciary may take comfort in the fact that he is meeting his legal and administrative responsibilities and avoiding the pitfalls that await the good intentioned but ill-informed. 🍷



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