

Vast Majority of Readers Have Named an Estate Trustee Who is Also a Relative

The decision to name a trustee is a complex process that includes weighing and balancing the various factors according to personal preferences and circumstances.

A trustee is a person or institution named in a trust agreement to carry out the objectives and follow the terms of the trust. A trustee can be a non-professional individual, a professional individual (such as an attorney, an accountant or an investment adviser), or a corporate fiduciary (such as a bank or corporate advisory firm). They need not be related, and in some circumstances, it is inadvisable to select a close relative.

Selecting the people to carry out the provisions of an estate plan is one of the most important and difficult tasks involved in the estate planning process. It is impossible to make a proper selection of any member of the estate planning team without understanding, in general terms, what it is the individual should be doing and how that person interacts with others who have important roles to fulfill.

AAll Weekly Survey Question

Given that the role of trustee is an important element of estate planning, we asked our readers the following question:

Have you named a trustee to carry out the provisions of your estate plan?

Here are the results:

Have you named a trustee to carry out the provisions of your estate plan?

Yes : 70% - Votes: 1031



I do not have an estate plan : 12% - Votes: 178



Not yet, but I intend to : 9% - Votes: 138



No : 8% - Votes: 125



In all, 1,472 readers responded to our weekly survey.

The overwhelming majority—70%—have already named a trustee for their estate plan. Another 9% say that they have not yet named a trustee but intend to.

Only 12% of respondents said that they do not have an estate plan while the remaining 8% said that they have not named a trustee to carry out the provisions of their estate plan.

Weekly Special Question

When selecting a trustee, there are several major attributes to consider. Certain attributes—integrity, for instance—are always extremely important; the importance of certain other attributes will depend on individual circumstances.

To get an idea of how our readers went about choosing a trustee to carry out the provisions of their estate plan, our weekly special question asked:

If you have a trustee to carry out the provisions of your estate plan, how did you go about selecting them?

In all, 187 readers responded to this question.

By a wide margin—over five-to-one—those responding said that they have chosen a trusted relative to be the trustee for their estate.

Tied for a distant second was either a legal professional or a friend or acquaintance.

Here is a sampling of the responses:

- “The person that is most likely to complete requests in a timely manner.”
- “The person who is most likely to carry out the provisions within the spirit that they were written.”
- “A younger close relative that I trust.”
- “Criteria: Good character, honest, intelligent, friend for a long time, appropriate age.”
- “I went with a lawyer’s recommendation.”
- “Researched information on the internet and discussion with family and friends.”

And what I can only imagine was a tongue-in-cheek response:

- “He sucked up the best.”

Everybody has an opinion! Why not give us yours? Participate in our weekly member poll, updated every Monday, and see the results online at <http://www.aaii.com/memberquestion>.