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How Do I Select a Trustee

I'm considering establishing a trust, how do I select a trustee? Should this be a close friend? A family member? My children are grown, or will soon be, can I designate one of them? Can all of my children serve as trustees? Does my trustee need to have particular qualifications?

Sometimes the initial consideration should be whether my trust is one that is expected to be fully administered and distributed shortly after my death or one that will continue for several generations. If the trust is designed to span generations, continuity and stability throughout the life of the trust might be an important consideration. In this event, the services of a corporate or institutional trustee may be beneficial. Often, however, where the trust permits the trustee to make discretionary distributions to beneficiaries, we recommend selecting someone whom you know and trust to serve as a trustee or co-trustee. The trust can even be structured to permit a trustee to later select a successor from among individuals who have not now matured. This will ensure the selection of the most capable successor trustee

Many trusts, particularly living trusts, are designed to continue during the life of the "grantors" or creators and then, at their deaths, to distribute assets to children. Others might continue while the beneficiaries are minors. These trusts are not really intended to span generations. A trusted friend or family member can certainly serve as trustee.

The trustee that you select should be willing to serve in that role. The trustee will have the responsibility to exercise care and judgment in carrying out *your* wishes. He or she need not have legal expertise or training as counsel can be retained to explain the legal terms and assist in the administration of the trust, but the trustee must be older than eighteen, financially responsible and have common sense and sound decision-making qualities.

You may appoint more than one trustee but appointing more than two co-trustees is not generally advisable as it may lead to complications and disputes. If a child will be appointed, consider whether this will cause hard feelings among siblings. If your wishes are clearly set forth in the trust document and little if anything is left to the trustee's discretion, arguments can be minimized.