

Why choosing the right trustee matters

What it means to be a trustee

A trustee takes legal ownership of the assets held by a trust and takes on fiduciary responsibility and liability for managing those assets and carrying out the purposes of the trust. A trustee has a duty to act in the best interests of both current and future beneficiaries of the trust and can be held personally liable for errors, mismanagement or failure to take action that would have benefitted your estate.

It's a significant responsibility for a family member or friend. That's why many people make the decision to have Bank of America Trust Services administer their trust.*

You have taken steps to care for the things that matter most to you, such as family, business and charity. Creating a trust can ensure that all of these things, and everything that is important to you, will be taken care of in the future as well.

One of the most important decisions you can make is selecting the right trustee. Administering a trust can be viewed as an honor, but it can also be a time-consuming task — one that carries significant responsibilities and liabilities. As you think about who you'll ask to administer your trust, be sure to think about the following:

1 **Have you selected a trustee who has the time and expertise needed to administer your trust effectively?**

There's a wide range of time-consuming and complex duties that come with being a trustee, especially if you have a blended family or own a business. A trustee is responsible for investing and managing the trust assets, maintaining proper records, balancing competing interests, making distributions to the beneficiaries, filing trust tax returns and more. When you ask someone to be your trustee, you are asking for a fairly significant time commitment and assuming a level of expertise that they may or may not have.

2 **Are you confident that your trustee can navigate your family dynamics and administer the trust according to your wishes?**

Even the most closely knit families can find themselves in conflict when it comes time to distribute a trust. This often puts the person named trustee in a precarious position, especially when decisions that are made in accordance with your wishes are not viewed as fair by all beneficiaries.

3 **May there be a time when the person you've named, or are considering naming, will no longer be able to serve as trustee?**

In many cases, the trustee appointed isn't called upon for years, even decades, after they are named. And the duties can take years to complete. This time lag can make it challenging to feel confident a loved one will be willing and able to fulfill the duties when the time comes.

*Trust and fiduciary services are provided by Bank of America, N.A., Member FDIC and wholly owned subsidiary of Bank of America Corporation (BoFA Corp.).

Investment products:

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
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Please see back for additional important disclosure information.

Bank of America Trust Services: Expertise, objectivity and continuity

If you have been named a trustee or need to select a trustee, it's important to understand what is involved and the ways in which your Advisor may be able to help.

As the nation's largest provider of personal trust services,¹ Bank of America can bring expertise, objectivity and continuity to administering the trust and managing the trust's assets.

Working alongside your Advisor, you or your trustee can choose the level of support you'd like: either agency services that include management & administration services or corporate trustee or co-trustee services which bundle a range of trust services in a potentially more cost effective way.

	Agency Services	Corporate Trustee Services
Choose a level of support	Investment Management & Administration Providing day-to-day fiduciary asset management and trust administration services, while the trustee retains control over investment decisions and discretionary distributions.	Corporate Trustee or Co-Trustee Providing full trust investment management and administration services, including decisions regarding discretionary distributions alone or with a co-trustee.
Managing of all or a portion of the assets (including those that are more complex such as investment real estate and business interests)	●	●
Investment advice	●	●
Reporting on principal, income & performance	●	●
Paying bills	●	●
Preparing Form 1099 and tax letters	●	●
Preparing tax information	●	●
Conducting valuations	●	●
Making distributions	●	●
Offering fiduciary support and guidance	●	●
Making discretionary decisions		●
Adhering to fiduciary duties		●
Preparing and filing fiduciary tax returns ²		●

At Bank of America Trust Services, our mission is clear — to help simplify your life, give lasting meaning to your wealth and prepare you for the future. To learn more about the ways Bank of America can help administer your trust, talk to your Advisor.

¹ SpectremGroup, "2021 Comprehensive Bank Trust Update."

² Agent for Trustee accounts must hold 100% of the trust assets to qualify for fiduciary income tax preparation and filing.

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