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# Benefits of Working with a Corporate Trustee

## Helping Clients Navigate Complexity with Confidence

Navigating today's estate and trust planning environment has become increasingly complex. Federal and state laws governing estate planning, wealth transfer and income taxation continue to evolve, while planning structures grow more intricate as wealth accumulates. Legal and administrative challenges frequently arise, particularly when unique assets are involved or when disposition strategies require layered planning.

Closely held businesses are a prime example. Legacy planning for these assets often involves multiple entities and structures within structures. A business may be owned by an LLC, which is in turn held across various trust vehicles to address control, tax efficiency and multigenerational objectives. As wealth grows, complexity tends to increase accordingly, making thoughtful planning and execution essential.

As circumstances become more sophisticated, the value of professional guidance becomes increasingly critical. Estate planning moves to the center of the overall wealth strategy, beginning with a well-drafted plan created by an attorney who specializes in trusts and estates. Once the plan is established, the next most consequential decision becomes the selection of a trustee to oversee administration and carry out the grantor's intent.

Serving as an individual trustee can be challenging on many fronts. While family members or other advisors are often considered initially, the role is time intensive and demands a high level of financial, legal and administrative expertise. Managing distributions, compliance, reporting and fiduciary responsibilities can quickly exceed the capacity of even the most well-intentioned individual. With significant wealth and a lasting legacy at stake, careful consideration must be given to who is best suited to fulfill this role.

In many cases, appointing a corporate trustee is a more prudent approach. Corporate trustees offer experienced professionals who administer trusts as part of their daily responsibilities and bring deep expertise across trust law, taxation and fiduciary oversight. They are well positioned to stay current with changes in the economic and regulatory environment that may affect trust administration or taxation. In addition, corporate trustees maintain specialized internal teams that can manage the various components of a trust estate concurrently, allowing for coordinated communication, efficient execution and consistent oversight.

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## Why Name a Corporate Trustee Instead of an Individual

Families often gravitate toward naming a relative or close friend as trustee, believing that familiarity and good intentions will lead to effective administration. In practice, however, this decision can surface hidden family dynamics, create tension among beneficiaries and place significant pressure on personal relationships. Trust administration often occurs during emotionally charged periods, when objectivity and consistency are most needed.

A corporate trustee offers experience, structure and impartiality at a time when emotions and competing interests can complicate decision-making. As a neutral third party, a corporate fiduciary is able to administer the trust in accordance with its terms, navigate beneficiary disagreements and make discretionary decisions without personal bias or succumbing to beneficiary pressure. This objectivity can be particularly valuable when family relationships are strained or when beneficiaries have differing expectations or needs. For these reasons, trust and estate legal and tax advisors frequently recommend corporate trustees in more complex or sensitive planning situations.

Cost is often cited as the primary reason for naming an individual trustee over a corporate fiduciary. However, individual trustees frequently must engage outside professionals such as attorneys, accountants, investment specialists and administrators to assist them in fulfilling their duties. While this approach may appear less expensive at the outset, professional fees, hourly rates and unanticipated administrative expenses can quickly accumulate.

In contrast, a corporate trustee provides integrated fiduciary services under a transparent fee structure, often resulting in greater efficiency, reduced risk and more predictable costs over time. When evaluated through a comprehensive cost-benefit analysis, the appointment of a corporate trustee frequently delivers greater overall value, particularly for trusts involving complexity, longevity or specialized assets.

## Advantages of Using a Corporate Trustee

Appointing a corporate trustee provides meaningful advantages that extend beyond day-to-day administration and into long-term risk management, continuity and fiduciary protection. Key benefits include:

- **Accountability**
  Established recordkeeping systems support accurate tracking of principal and income, timely fiduciary accounting and the production of clear, consistent account statements for all interested parties.
- **Collective judgment and governance**
  Fiduciary decisions are informed by multiple experienced professionals rather than a single individual, promoting sound judgment, consistency and thorough documentation.
- **Confidentiality**
  Sensitive financial and family matters are handled with discretion and professionalism, preserving beneficiary privacy and trust integrity.
- **Experience and technical expertise**
  Dedicated trust professionals bring deep, specialized knowledge of complex trust administration, tax considerations and fiduciary obligations.
- **Focus and institutional resources**
  A corporate trustee has the time, staffing and infrastructure necessary to devote sustained attention to trust administration and to meet ongoing fiduciary responsibilities.

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- **Impartiality**
  As a neutral third party, a corporate trustee administers the trust objectively, free from personal relationships or family pressures that can lead to conflict or inconsistent decision-making.
- **Permanence and continuity**
  Corporate trustees offer perpetual existence and institutional continuity. They do not become ill, resign or pass away, and they always have qualified professionals in place to ensure uninterrupted administration for decades into the future.
- **Regulatory oversight**
  Corporate trustees operate under strict state and federal regulatory standards and are subject to regular independent audits, promoting transparency, consistency and compliance.
- **Fiduciary responsibility and liability protection**
  Corporate trustees are legally obligated to faithfully perform their duties and adhere to the terms of the trust document. They also carry professional liability insurance and operate within a regulated framework, helping mitigate the personal liability risks that individual trustees often face for errors, omissions or disputes.
- **Value through specialization**
  Specialization in trust administration allows corporate trustees to deliver services efficiently and cost-effectively, often at fees that compare favorably to the cumulative costs incurred when individual trustees retain multiple external professionals.

Collectively, these advantages enable corporate trustees to administer trusts with professionalism, consistency and protection, while reducing risk and complexity for clients, beneficiaries and their advisory teams.

## Challenges for an Individual Serving as Trustee

Serving as a trustee can place a significant burden on an individual, particularly someone who is not a full-time professional fiduciary. Trustee responsibilities are extensive and become even more demanding when trusts contain complex provisions or when changes in tax laws and regulatory requirements affect administration. Staying compliant, making informed decisions and maintaining proper documentation often require more time and expertise than individuals anticipate.

An additional challenge arises when sensitive or controversial family matters intersect with trust administration. Individual trustees, especially family members, may struggle to remain objective in emotionally charged situations. Personal relationships, family dynamics and competing interests can influence decision-making and place strain on both the trustee and the beneficiaries.

Family member trustees may also experience direct pressure from beneficiaries regarding distributions, investment decisions or interpretation of trust terms. In some cases, conflicts of interest can arise between the trustee and beneficiaries as they are urged or may feel compelled to circumvent the original intent of the grantor. These situations can expose individual trustees to criticism, disputes and potential legal action, creating personal risk alongside administrative stress.

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# Why Fifth Third Advisor Solutions

For these reasons, the role of trustee is often best served by a corporate fiduciary with deep experience in trust administration and oversight. A corporate trustee offers structure, objectivity and continuity, helping ensure that the trust is administered consistently and in accordance with the grantor's objectives over time.

Today's financial and regulatory landscape presents ongoing challenges that make it difficult for individuals to navigate trust administration effectively on their own. As wealth structures grow more complex, professional fiduciary guidance becomes increasingly valuable.

Fifth Third Advisor Solutions is positioned to provide the experienced fiduciary support your clients may need, whether serving as trustee or in an agency capacity. Our long-standing commitment to the highest fiduciary standards, combined with specialized expertise and institutional resources, allows us to support effective trust administration while complementing your role as the trusted advisor.

**When the time is right, we welcome the opportunity to be included in the conversation.** Partnering early allows us to collaborate with you, address complexity proactively and deliver outcomes that protect your clients' legacies, while keeping you at the center of the client relationship.

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# Choosing the Right Partner as Trustee

## Key Considerations for Financial Advisors and Their Clients

When it comes to estate planning, selecting the right trustee is one of the most critical yet frequently underestimated decisions clients will make. Many individuals default to naming a family member or close friend, assuming that familiarity equates to capability. What is often overlooked is the true scope of a trustee's responsibilities, the complexity of modern assets and the significant legal, tax and fiduciary risk involved. These burdens can strain personal relationships and expose loved ones to challenges they are neither prepared for nor protected against.

As a financial advisor, you are uniquely positioned to help clients avoid decisions that may compromise family harmony, increase administrative and tax complications or lead to unintended outcomes. By introducing a corporate fiduciary, you offer your clients an objective, experienced solution that delivers professional administration, continuity and risk mitigation, while allowing you to remain at the center of the client relationship and overall planning strategy.

### Why Trustee Selection Matters

The trustee plays a central role in the administration of a trust. Responsibilities often include managing and safeguarding assets, making discretionary distribution decisions, filing tax returns, maintaining detailed records and exercising sound judgment in situations that can have lasting consequences for beneficiaries. When a trustee is unprepared for these demands or allows emotion to influence decisions, the result can be unnecessary conflict, financial missteps or legal exposure.

While family members and close friends are often named with the best of intentions, they may not be equipped to handle the role. This is rarely a reflection of capability or effort, but rather the reality of serving in a fiduciary capacity. Common challenges include:

- Limited time or technical knowledge required to properly administer a trust
- Difficulty maintaining objectivity amid family dynamics
- Feeling overwhelmed by ongoing legal, tax and fiduciary obligations
- Exposure to personal liability for errors, omissions or misjudgments

Failing to address these risks at the planning stage can place undue pressure on personal relationships and undermine the long-term success of the trust.

### The Value of Partnering With a Corporate Trustee

While cost is often the most cited concern, the value of partnering with a corporate trustee far outweighs this narrow focus. A professional fiduciary delivers capabilities and protections that individual trustees simply cannot replicate.

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Key advantages include:

- **Fiduciary expertise**
  Dedicated professionals with deep knowledge of trust law, tax regulations and fiduciary obligations ensure proper administration and informed decision-making.
- **Impartiality**
  A neutral trustee helps reduce family conflict and navigate complex beneficiary relationships without emotional bias.
- **Administrative efficiency**
  Established systems and specialized teams manage recordkeeping, reporting and regulatory compliance with consistency and precision.
- **Risk mitigation**
  Corporate trustees operate under strict regulatory oversight and carry professional liability insurance, providing an added layer of protection for both clients and beneficiaries.
- **Trust-specific subject matter expertise**
  Access to professionals who focus exclusively on specialized trust structures, including special needs trusts, charitable trusts and trusts holding complex assets such as closely held businesses and commercial real estate.

The Fifth Third Advisor Solutions platform was designed to preserve and strengthen your client relationships while leveraging the scale and expertise of a corporate fiduciary. Through this model, your firm can remain the existing custodian, maintain investment management authority within an agreed-upon framework and continue serving as the primary relationship manager for your clients and their families.

## When to Consider a Corporate Trustee

Advisors can add significant value by helping clients think proactively about trustee selection. Introducing a corporate trustee is often appropriate in the following situations:

- Complex family structures such as blended families or strained relationships
- Significant, illiquid or hard-to-administer assets including real estate or closely held businesses
- Long-term or multigenerational trusts requiring continuity over time
- Absence of a trusted individual who is willing and able to serve
- Aging clients concerned about future incapacity or diminished oversight
- Clients who want to avoid burdening children or close friends with fiduciary responsibilities

Early consideration of these factors can help clients avoid reactive decisions and ensure the trust structure supports both their planning goals and family dynamics.

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## Questions to Ask When Interviewing a Corporate Trustee

To identify the right fiduciary partner, encourage clients to ask thoughtful, practical questions, including:

- What are your minimum account or asset thresholds?
- Do you require investment discretion, or can my financial advisor remain involved?
- How are fees structured and which services are included?
- What experience do you have administering trusts holding real estate or other unique assets?
- How do you approach beneficiary disputes, discretionary requests or special distributions?
- What is your process for reviewing and accepting new trusts?

These conversations help ensure alignment, transparency and a clear understanding of how the corporate trustee will support the client, beneficiaries and advisory team.

# Bringing It All Together

Selecting the right trustee can play a pivotal role in protecting your clients' legacies, reducing risk and minimizing the potential for conflict within their families. As a financial advisor, your guidance is essential in helping clients understand their options and choose a trustee with the experience, objectivity and capacity to address complexity through specialized teams and subject matter expertise.

When the circumstances are right, we welcome the opportunity to be included in the conversation. Partnering early allows us to collaborate with you, evaluate the trust structure and provide insight that supports your client's goals while preserving your role at the center of the relationship. Please reach out to discuss how our corporate fiduciary services and Fifth Third Advisor Solutions platform can complement your practice and enhance outcomes for your clients and their families.

**Stronger outcomes start with the right partners at the table.** Contact Fifth Third Advisor Solutions to discuss how we can work alongside you to support your clients' trusts with experience, objectivity and long-term continuity.

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# Corporate Trustee Roles and Timing of Duties

## Guiding Clients Through Trustee Roles and Transitions

Choosing a corporate trustee is a significant step in protecting a client's legacy and ensuring their wishes are carried out with professionalism, continuity and objectivity. Once that decision is made, the next consideration becomes equally important: defining how and when the corporate trustee will serve.

Trust administration is not a one-size-fits-all solution. Corporate trustees can assume different roles depending on the structure of the estate plan, the complexity of the assets and the client's goals for oversight and control. Understanding these options allows advisors to help clients thoughtfully align trustee responsibilities with both current needs and future contingencies.

Naming a corporate trustee is the first step. Determining the appropriate scope of authority and the timing of services, whether immediate, deferred or contingent, ensures the fiduciary structure supports the estate plan as intended and adapts as circumstances evolve.

## Corporate Trustee Roles

Corporate trustees can be appointed in several different capacities. Determining the appropriate role depends on a client's comfort level, family dynamics and the complexity of the estate and assets involved. Clearly defining the trustee's authority at the outset helps ensure smooth administration and alignment with planning objectives.

### Sole Trustee

In this structure, the corporate trustee is the only trustee named and assumes full responsibility for administering the trust. Serving as sole trustee can reduce friction around discretionary decisions and provide consistent, objective oversight.

Key characteristics include:

- Unbiased and consistent decision-making in accordance with the governing document
- Long-term continuity and comprehensive administrative expertise

*Ideal for:* Clients who prefer a streamlined, hands-off structure for beneficiaries or who have complex family, tax or multigenerational considerations.

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### Co-Trustee

In a co-trustee arrangement, the corporate trustee serves alongside an individual trustee, often a spouse, adult child or trusted advisor. Unless otherwise specified in the trust document, co trustees typically act jointly. This structure:

- Combines family insight with professional fiduciary expertise
- Allows a family representative to remain involved while relying on institutional oversight and administration

*Ideal for:* Clients who value family participation but recognize the need for a professional fiduciary partner to help manage complexity and risk.

### Directed Trustee

Under a directed trust structure, the corporate trustee administers the trust while following the directions of designated parties such as an investment advisor, distribution advisor or other named fiduciary. This approach is well suited for trusts holding unique or concentrated assets such as closely held businesses, real estate or large single stock positions.

In this role, the corporate trustee focuses on administration, compliance and fiduciary oversight, while other advisors retain control over specified functions.

*Ideal for:* Clients who want to preserve existing advisory relationships while leveraging professional trust administration.

## Corporate Trustee Timing and Duties

The timing of a corporate trustee's appointment directly influences its scope of responsibilities and duties.

### Immediate Appointment

When a corporate trustee is needed immediately, we work collaboratively with you and the client's financial, tax and legal advisors to fully understand the estate plan, family dynamics and any unique considerations. Following our internal review and acceptance process, we assume trustee responsibilities and begin administration in accordance with the trust terms.

### Future or Successor Appointment

A future fiduciary appointment, commonly referred to as a successor trustee role, occurs when a corporate trustee is named to serve upon a triggering event. Common triggers include resignation, incapacity or death of the acting trustee.

After the trust document is executed, advance planning discussions can help identify additional information that may be helpful to retain on file for future reference. This preparation enables a smoother and more efficient transition to administration when role is acitvated.

*Ideal for:* Clients who wish to maintain control today while ensuring experienced, professional trust administration in the future.

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# Final Thoughts

Appointing a corporate trustee is more than a procedural decision. It is an opportunity to establish a long-term partnership that protects a client's intent, supports beneficiaries and brings clarity and consistency to trust administration across generations. Whether serving independently or alongside other fiduciaries, a corporate trustee provides the structure, professionalism and continuity required to administer an estate plan as it was designed.

Fifth Third combines more than 164 years of fiduciary experience with a client-first approach and national reach. Whether named as sole trustee, co-trustee or successor trustee, we work seamlessly with financial advisors to deliver personalized trust administration backed by the strength and stability of a long-standing institution. From complex estates to multigenerational plans, our teams are equipped to support the evolving needs of your clients and their families.

**When the time is right, we welcome the opportunity to be included in the conversation.** Engaging early allows us to collaborate with you on role design, timing and administration, helping ensure the fiduciary structure aligns with your client's goals while preserving your role at the center of the relationship. Please reach out to explore how Fifth Third Advisor Solutions can complement your practice and enhance outcomes for your clients.

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# Recommended Successor Trust Language

**The following provisions are specific to the relationships between Fifth Third Bank, National Association and our Financial Advisor Partners in administering certain trusts. These provisions facilitate investment management by non-bank investment managers, while retaining for the trustee appropriate fiduciary control over the investment process.**

These provisions should be altered only after consultation with appropriate representatives of Fifth Third Bank. The provisions should be considered for inclusion in a client's trust document when making substantial revisions to a client's existing estate planning documents.

## Delegation of Investment Discretion

The Trustee shall invest and manage the funds of the Trust as a prudent investor would, in light of the purposes, terms, distribution requirements and other circumstances of the Trust. Trustee is authorized to employ agents, brokers, custodians, investment counsel and investment managers, and delegate to them the discretionary authority to make purchases and sales of any investments otherwise authorized to the Trustee.

## Trustee Compensation

The Trustee shall be entitled to reasonable compensation for its services pursuant to its current schedule of fees from time to time in effect, and to reimbursement for any expenses reasonably incurred in the management, custody and preservation of the trust property; such compensation and expenses shall constitute a lien on the trust property. Trustee shall be entitled to employ Custodians, Investment Managers and Sub-Investment Managers, as well as accountants, attorneys and other agents to assist Trustee in the administration of the Trust. Reasonable compensation for services performed by agents shall be paid as specifically provided by the terms of the trust, or if not, out of income or principal, as Trustee in Trustee's discretion shall determine. The Trustee fees shall not be decreased for payments made to agents unless agreed to in writing by the Grantor and Trustee.

## Trustee Resignation

The Trustee shall have the right to resign at any time during the life of Grantor by giving notice in writing to Grantor (or his or her legal guardian), and at any time after Grantor's death by giving notice in writing to the beneficiary(ies) then entitled to income from the trust, to each custodial parent of each minor beneficiary of current trust income, and to each legal guardian of any beneficiary of current trust income having a legal guardian. Unless otherwise provided in the trust document, upon the resignation of a Trustee, a successor Trustee shall be appointed by the Grantor, and at any time after Grantor's death, by a majority of the beneficiaries then entitled to income from the trust.

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# Trustee Removal

The Trustee may be removed before the death of the Grantor by a written notice of removal signed by the Grantor, in which event Grantor shall designate a successor Trustee in writing. After the Grantor's death, unless otherwise provided by the trust document, any Trustee may be removed as Trustee by a majority of the Trust income beneficiaries. When a majority of the income beneficiaries of any Trust or share established hereunder shall exercise the power of removal pursuant to this paragraph, such power shall be exercised by written notice specifying the date of its removal as Trustee, and a successor Trustee shall be appointed by a majority of such income beneficiaries.

# Limitation of Liability Successor Trustee

The acts of the Trustee shall not bind any successor, and the Trustee's agreement to serve shall not constitute ratification of any act of a prior Trustee. The Trustee may, after a reasonable search, rely upon statements and records of any prior Trustee in the successor Trustee's possession, as to the assets of this Trust, and shall have no liability to any person for the assets until the successor Trustee receives possession.

**If you have questions about applying this language or tailoring it to client needs, reach out to your Fifth Third Advisor Solutions Relationship Manager to continue the conversation or visit:**

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# The Strategic Advantage of Naming a Corporate Successor Trustee

In the world of wealth stewardship, few decisions carry as much long-term impact as naming a successor trustee. For high-net-worth individuals and families, this choice is not just about administration—it's about preserving values, protecting assets and ensuring harmony across generations.

While many opt for a trusted friend or family member, the complexities of fiduciary responsibility often demand more. A corporate trustee brings professional oversight, impartiality and enduring continuity that personal trustees may struggle to match.

Fifth Third offers a sophisticated solution for those who seek elevated trust administration with the highest standards of care and expertise.

## Four Strategic Reasons to Name a Corporate Successor Trustee

### 1. Experience That Inspires Confidence

Corporate trustees are equipped with deep institutional knowledge and a dedicated team of professionals. From navigating tax filings to managing complex assets like real estate or family businesses, Fifth Third has hundreds of years of precedent and applies fiduciary expertise to every decision.

### 2. Objectivity That Preserves Harmony

Family dynamics and strained relationships often complicate and delay trust administration. A corporate trustee provides impartiality, helping to avoid conflicts, emotional strain and even costly litigation. Fifth Third acts as a neutral steward, ensuring decisions are made in the best interest of all beneficiaries.

### 3. Continuity That Sustains Your Vision

Trusts often span generations. Unlike individual trustees, corporate trustees offer uninterrupted service and institutional memory. Fifth Third remains a consistent presence, adapting to legal and economic changes while preserving your legacy.

### 4. Protection That Endures

Corporate trustees are regulated, financially stable and held to the highest standards. Fifth Third safeguards sensitive information and ensures compliance, providing you and your beneficiaries with peace of mind.

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# Why Fifth Third

Choosing a successor trustee is a strategic decision. Fifth Third combines professional rigor with personalized service, helping you navigate the complexities of estate planning with clarity and confidence.

**Connect with Fifth Third Advisor Solutions and move forward with confidence.**

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