

Trustee Bootcamp

Checklists for the New Trustee!

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1.

WHAT DOES IT MEAN TO BE A TRUSTEE?

TRUSTEE = FIDUCIARY

BLACK'S LAW DICTIONARY

One who owes to another the duties of good faith, loyalty, due care, and disclosure;

Someone who must exercise a high standard of care in managing another's money or property.

US SUPREME COURT

Justice Cardoza (*Meinhard v. Salmon*, 1928), Standard for a Fiduciary

Something stricter than the morals of the marketplace. Not honesty alone, but the punctilio of an honor the most sensitive, is then the standard of behavior.

TRUSTEE DUTIES

DUTY to collect, preserve, and maintain trust property

DUTY to administer the trust according to its terms

DUTY to make trust assets productive

DUTY to invest prudently

DUTY to provide an accounting

DUTY to disclose material facts

DUTY of skill and care

DUTY to keep trust assets separate

DUTY to avoid self-dealing – loans, purchases/sales from and to the trust or using trust property

DUTY to avoid conflicts of interests

DUTY to enforce and defend claims

DUTY to give notice

DUTY of impartiality

DUTY of loyalty

DUTY of confidentiality concerning the trust and the beneficiaries

2.

DOCUMENT DOCUMENT DOCUMENT

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