Successor Trusteeship Risk Review

INSTRUCTIONS:

This form is to be completed by the Wealth Advisor and reviewed and signed by the Trust Officer presenting the case to Trust Committee. Since there is possible risk in assuming any successor trusteeship appointment, it is important to weigh various factors so that an appropriate risk assessment can be made prior to assuming the role of successor trustee. All successor trusteeship accounts will be rated for potential acceptance based on the criteria listed below.

In Part I, the TO should provide all of the factual background information, as to the name of the trust, the date it was created and the history of prior trustees and the reasons for their replacement. Part II is the Risk Assessment section and Part III is the TO Recommendation with Management sign-off for all accounts rated 3.

PART I: HISTORY

Account Title:

Date Trust Created: | Current Market Value: | Original Funding Value:

	Trustee Name	Period	Relationship to Grantor	Reason Replaced
Currently				
Prior				
Prior				

*Include all known trustees since inception.

PART II: RISK ASSESSMENT

☐ **1 – MINIMAL POTENTIAL RISK FACTORS:**

Check all that apply. If any of the following are checked, the Risk Rating is 1 and you should proceed to Part III. If no boxes are checked, then proceed to Number 2.

- ☐ Current judicial accounting done within the last year the for latest trustee completed through ______ (mm/dd/yr).
- ☐ Revocable trust and the grantor is alive.
- ☐ Current corporate trustee served since inception (or Immediately upon Grantor's death) and the trust instrument or state statute provides. exculpatory/indemnification language for successor trustee.

☐ **2 – MARGINAL POTENTIAL RISK FACTORS:**

Check all that apply. If any of the following are checked, the Risk Rating is 2 and you should proceed to Part III. If no boxes are checked, then proceed to Number 3.

- ☐ Grantor died on ______ (mm/dd/yr) and we are named as successor trustee. In addition, the following two conditions are met:
  1. We have full records as to the assets in the trust. Explain: ______
  2. The deceased grantor's will and an estate inventory are available, providing Information on estate taxes and assets that may pour over into the trust.
- ☐ Current accounting completed within the last year and signed by all interested parties on ______ (mm/dd/yr).

☐ **3 – MITIGATING FACTORS TO BE CONSIDERED FOR ACCEPTANCE:**

Check all that apply. If neither a Risk Rating of 1 or 2 has been assigned, then the Risk Rating is 3 and Management approval is required. If three or more mitigating factors below are checked, a reduced risk rating may be considered.

- ☐ The firm already manages the trust assets.
- ☐ Client(s) currently have long term existing relationship(s) with the firm.
- ☐ No known history of litigation with prior trustee, financial consultant, etc.
- ☐ CPA, attorney, family member or other is knowledgeable about trust history. Please provide an explanation.
- ☐ All original trust documents obtained, including amendments.
- ☐ Previous tax returns and annual accountings obtained.
- ☐ Trust and/or state statutes provide exculpatory/Indemnification language for successor trustee.
- ☐ Trust provides resignation language.

TRUST OFFICER

Risk Rating: ______________________

Signature ______________________ Date ______________________

MANAGEMENT (Required only if the Risk Rating is 3)

Signature ______________________ Date ______________________