

Questions to ask clients to retain and gather trust assets

Today's high-net-worth clients and prospects are demanding their investment advisor bring additional value beyond simply picking investments, asset allocation, and money managers. Recent studies have confirmed that several of the most sought after strategies include: wealth transfer advice, trust services, and estate planning advice. The significant opportunity lies in the fact that less than 25% of clients were receiving these services from their advisor. While partnering with an "advisor friendly" corporate trust company, advisors need not be experts in any of these disciplines. There are two primary scenarios where "advisor friendly" trust companies add value to advisors.

"Defense"- Mitigating successor trustee risk and protecting current assets

It is common for advisors to manage client accounts titled as revocable or living trusts. All of these accounts expose the advisor to "successor trustee risk". Should their client die or become incapacitated it is highly likely and individual or corporate successor trustee will take the assets away from the advisor. Additionally, the client or prospect will often have questions like: "who should I name as a successor trustee", "would you be my successor trustee", and "should I name a corporate trustee or a family member as a successor".

Here are questions advisors can ask to identify and mitigate the successor trustee risk:

- **If you currently have a will and/or living trust, who is named as your successor trustee?**
- **Do you want to burden a family member or friend to act as a successor trustee?**
- **Would you be interested in naming a "successor corporate trustee" that will allow me to continue to manage the trust assets should you die or become incapacitated?**

The advisor may rely on "recommended" language provided by their "advisor-friendly" trust company partner. This language will identify the advisor as a "preferred/delegated" or "directed" advisor in their clients trust documents.



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"Offense"- Liberating existing trust assets for an unhappy client-beneficiary

The client or prospect is already the beneficiary of an irrevocable trust and is unhappy with the current "bundled" Bank/Trust Company's fees, service, and/or investment performance. The trust beneficiary would prefer that their preferred advisor manage the trust assets and be a primary point of contact.

Here are questions advisors can ask to identify opportunities to capture new trust assets:

- **If you are the beneficiary of an existing trust, are you satisfied with your current trustee's service, fees, and/or investment performance?**
- **Are you interested in me being your point of contact and managing the trust assets?**
- **Can you provide me with a recent trust statement and the governing document?**

An "advisor friendly" trust company will allow you to manage your client's trust assets on your preferred custodial platform.

Please contact us and learn more about how BOK Financial Advisor Trust Services can partner with you.

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