

If you're planning to set up a revocable living trust to avoid probate or another type of trust to meet estate planning goals, you're making a wise move. But one step to consider carefully is your choice of successor trustee.

In this post, we'll examine what a successor trustee does, why you need one, and how you can choose someone who will be right for the job.

## What are Successor Trustees?

A trustee is the person designated in the trust document to manage the property that has been placed into the trust. The trustee is in charge of ensuring that the trust provisions are carried out properly as well. The trustee has to do all the work involved with administering a trust and the assets in the trust, but the trustee doesn't get to use or enjoy that property. Instead, the trustee manages everything to provide for the beneficiary.

A successor trustee is someone named to take over if the original trustee dies or becomes incapacitated. They are essentially a backup trustee. The successor has no power and no duties while the trustee remains alive and competent.

## Why is it Important to Designate a Successor Trustee

If the original trustee dies and there is no successor named, the trust will not be able to function. No one will be authorized to distribute any funds to pay bills or make payments to the beneficiaries. The beneficiaries would need to ask the court to appoint a successor, and that might likely be a professional fiduciary such as an attorney or

accountant.

The process of petitioning the court and paying a professional trustee can result in tremendous delays and added expenses. Therefore, it is wise to not only appoint a successor trustee but to appoint several, just in case the other candidates are not able to serve in the role.

## How Do You Choose a Successor Trustee?

There are several factors to consider when selecting someone to serve as your successor trustee. One factor is the complexity of the trust. If you have a revocable trust set up to avoid probate and your successor trustee will probably only need to pay some bills, distribute funds to the beneficiaries and close the trust, then appointing a family member or friend you trust may be the best choice. You should explain the role and ask if they'd be willing to serve and do the same for your extra successor trustees if possible. You can name one of your beneficiaries as your successor trustee, and that is actually quite common.

If your trust is a more complex irrevocable trust with administrative duties that could continue for many years, you might want to consider working with a professional such as a corporate trustee familiar with the administrative duties and fiduciary responsibilities that come along with the position.

## The Nordhaus Firm Can Help You Name a Successor or Add Successor Trustees to Your

## Revocable Trust

One of the nice things about a revocable trust is that the terms can be changed. That allows you to name a successor trustee, if you have not already, change a successor, or add extra successors as backup.

If you need assistance with a trust—including adjustments to trustees or beneficiaries—The Nordhaus Firm would be happy to help. Just schedule a consultation now to get started.