

## **Client Tip Sheet – Selecting Your Personal Representative (Executor) and/or Trustee**

Deciding who will be responsible for managing your affairs is an important decision. Personal Representatives (PR) and Trustees have legally mandated relationships with both you and your beneficiaries. This duty is often described as a “fiduciary duty” and includes the following:

- Duty to account for assets and a duty of full disclosure
- Duty of undivided loyalty and a duty to avoid “self-dealing”

In selecting your PR/ trustee(s), factors such as family circumstances, financial competence, communication skills (including conflict resolution), and availability should be considered. If selecting family members, one should consider the risk of conflict between the chosen fiduciary and other family members/beneficiaries. Though similar, PR/trustee(s) the responsibilities of each can vary. **PR’s must be 18 years or older, have no felony convictions or misdemeanors involving moral turpitude.** Below is a non-exhaustive list of responsibilities to consider when selecting both your PR and trustee(s):

### **Personal Representative (frequently referred to as “Executor”)**

- Identifying, taking custody, and creating an inventory of the assets of the estate
- Determining the fair market value of estate assets
- Contacting (and identifying) the decedent’s heirs and beneficiaries
- Notifying various state and federal agencies of decedent’s death
- Discontinuing automatic deposits into and debits from decedent’s accounts
- Receiving payments due to decedent/estate (dividends, wages due, etc.)
- Opening checking account in name of estate for payment of valid debts, funeral expenses, and other expenses incurred in administering the estate
- Filing income and estate tax returns
- Distributing assets to appropriate heirs/beneficiaries

### **Trustee**

- Locating, obtaining information about, notifying and accounting to trust beneficiaries in accordance with Washington Trust Act
- Determining assets in trust, funding trust account (inventory, tax basis, acquisition date, etc.)
- Retaining qualified investment or asset managers, advisors, developing an investment policy statement, budget, etc.
- Opening trust investment and bank accounts (as appropriate) and/or titling assets into the name of trustee
- Administering trust assets, keeping records and considering/evaluating distribution request in accordance with terms of trust
- Filing fiduciary income taxes