



BIG BANKS VS. COMMUNITY BANKS

WHO SHOULD YOU TRUST WITH YOUR TRUST?

When it comes to large estates, the advantages of using a corporate trustee instead of administering your own trust are relatively straightforward. A corporate trustee ensures that costly errors don't take a large chunk out of your assets, while also offering protection against fraud, theft, and other risks.

When deciding on a corporate trustee, however, there isn't a lot of discussion about the choices available to you. It's a common assumption that big banks are the only viable option, since trust companies are typically large banks with a national presence. But the fact is that a number of locally-owned community banks have sizable, well-established trust departments. Though they might not be quite as large as those of the big national financial institutions, community bank trust departments can offer you the same resources, protection, and expertise that a national bank offers.

In other words, the size of the trust department isn't necessarily what's important. What matters most is how well your assets are managed. In that regard, community banks have a clear advantage over big national banks. The key point of difference is simple:

People.

Certainly, any bank can claim that they care about people – and big national banks do indeed employ this tactic in their advertising. But the difference between these banks and community banks, when it comes to administering a trust, is much more concrete than corny catch-phrases and stock photos.

Administering and managing a trust is an ongoing process, often spanning decades – it isn't written in a single afternoon and buried in a filing cabinet. Throughout the course of your life, circumstances change; as a result, the specific details of your trust are bound to change as well. So naturally, a continuing relationship with a trust officer who understands you and your family is critical to administering a trust that fits your wishes and aspirations.

With big national banks, this kind of bond between trustee and clients is not particularly common. These banks tend to have more significant turnover, and employees are frequently transferred to other branches. During the course of your time with a national bank's trust department, you may work with several different trust officers, each of whom you'll have to explain the finer details of your financial circumstances and your life. Needless to say, this makes the process of administering a trust far more complicated. It also makes it more likely that you'll be stuck with a trust officer who doesn't fully understand your unique situation.

With community banks, however, you and your beneficiaries are far more likely to remain with the same trust officer. That leads to a close relationship between clients and their trustees. After ten or more years together, you can bet your trust officer will know a lot about you – your goals, what you're passionate about, your taste in music – you'll even finish each other's sentences (okay, probably not that last one). And most importantly, you can be sure that they'll know exactly what you wanted from your trust.

Community banks don't need advertising campaigns to prove to you they have a close relationship with their clients. They have real-life stories to draw from. Take it from Bob Gray, a Trust Officer at a local community bank.

"We have a very close relationship to members of our community - because we're a part of it, too. Our families go out to dinner together, and our kids may play on the same sports team. Often, in the case of immobilized clients, we're able to meet them at their homes. We've even driven a client to a dentist appointment."

Bob represents one of many community banks that have a respected trust department and decades of experience. A manageable number of clients and an unchanging staff means that community banks can devote the time and effort it takes to maintain a strong client-trustee relationship. Even if you don't live in the same town - or state - you can be sure that you'll get the same care and attention as if you lived right next door.

In summary, the advantages of a community bank come down to more than a "personal touch." When administering a trust with a community bank, you won't have to switch to several different advisors who may see you as just another account - you'll be working with one person you can depend on. That means a more carefully managed trust and greater peace of mind.



"We have a very close relationship to members of our community - because we're a part of it."


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