

What is a Professional Fiduciary

A professional fiduciary is a licensed, neutral individual appointed to manage someone else's financial, legal, and personal affairs. Fiduciaries step in when family members are unavailable, unsuited to the role, or when a family wants someone without a personal stake handling their affairs. They're bound by a legal duty to act in the person or Trust's best interest.

A professional fiduciary may serve as:

Trustee: managing and administering a trust's assets, records, and distributions according to its terms

Executor: named in a will to carry out its instructions and settle the estate

Administrator: managing an estate through probate when there's no will, or no one is able to serve as executor

Agent under Durable Power of Attorney: managing someone's financial, legal, and/or health care affairs when they're no longer able to do so themselves

Why a Professional Fiduciary is chosen

- No family member is willing or able to adequately serve as trustee
- The current trustee has mismanaged the trust or neglected their duties
- A beneficiary is a minor, has special needs, or the situation raises a real risk of undue influence
- No family member has the time or proximity to take on ongoing administration, even if they'd otherwise be a good fit
- The family wants to avoid placing legal responsibility and personal liability on one family member or friend, even when relationships are good
- The estate involves multiple properties, business interests, or significant assets
- The named trustee has died, become incapacitated, or stepped down, with no ready successor
- Beneficiaries don't get along, or one would have to make decisions over their own siblings
- The person responsible for their own affairs no longer wants the ongoing responsibility or is overwhelmed with managing them
- The trust involves multiple sets of beneficiaries (for example, a spouse and children from a prior relationship), where a neutral party removes any appearance of favoritism

Duties of a Fiduciary

Loyalty

Acting solely in the interest of the trust, estate, or person we serve, no competing interests

Impartiality

Treating everyone according to the governing document's terms, not personal opinion

Prudence

Every decision made with the diligence an experienced professional is legally required to use

Transparency

Records and accountings are continually updated with documentation of actions and decisions