Personal Trust Services

Helping you plan, protect, and distribute your assets
A trust can be a beneficial and flexible solution to help protect and manage your assets and make sure they are distributed the way you want.

This guide outlines:
- Benefits a trust can provide
- Importance of choosing the right trustee
- The role Fidelity can play in helping manage your trust

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A trust could be an important part of your overall investment strategy.

When planning for your family's financial future, your range of assets, wishes for supporting loved ones, and charitable interests are all important considerations. Trusts provide a flexible way to help protect your assets and make sure they're distributed the way you want.

Fidelity Personal Trust Company, FSB, offers a range of trust solutions for your inheritance and estate planning strategies, with potential benefits for today and the future.
Why a trust is important

A trust is a legal arrangement established to hold, manage, and distribute your assets and the income they generate, according to your specific instructions. Trusts let you make controlled gifts to family, friends, and charitable organizations.

Types of trusts

**Revocable Trust**
Also known as a living trust, a revocable trust can be changed or dissolved at any time. It offers continuous management of assets, provides you with the ability to easily change trustees, and avoids probate. Your assets are included in your estate for estate tax purposes.

**Irrevocable Trust**
An irrevocable trust may help those with substantial assets reduce their estate tax liability by excluding assets and future appreciation from their estate. However, you effectively give up control and ownership of the assets you place in the trust.

A trust can:

- Help protect the inheritances of your children.
- Help provide security for your family after your death.
- Ensure that your assets are distributed the way you intended.
- Potentially reduce income and estate taxes.
- Avoid the cost, time, and publicity of probate.
- Make gifts to charities.
- Maintain confidentiality.
How Fidelity can help:

- Trust administration
- Recordkeeping and custody
- Planning, coordination, and communication with beneficiaries
- Tax reporting
- Managing complex distribution decisions
- Tax-smart investment management$^2$ of your trust assets
Choosing a trustee

Naming a trustee

The trustee has significant responsibilities. If considering naming yourself, a family member, or a friend as a trustee, remember that the trustee must feel comfortable:

- Making investment decisions or choosing and monitoring the investment manager
- Evaluating requests for distributions
- Making difficult decisions
- Accounting for the receipt and disbursement of income and principal from the trust assets
- Preparing and filing any required trust income tax returns
- Keeping up with complex and ever-changing trust administration laws

Benefits of a corporate trustee

Objectivity

It can be difficult for a trustee who is a parent, sibling, relative, or friend to act objectively. A corporate trustee can execute your directions and make decisions free from bias and family dynamics.

Continuity

In the years ahead, age or illness could prevent an individual from performing trustee duties. You want to be sure that your trustee will continue to be responsive as your family’s situation changes over time.

Confidentiality

A corporate trustee protects your privacy and ensures that your financial matters will be treated with the utmost respect.
Fidelity Personal Trust Company, FSB ("FPTC"), provides comprehensive services for a wide variety of personal trust relationships.

**Sole Trustee**
We assume all the investment, administrative, and fiduciary responsibilities of managing your trust according to the terms you’ve defined in your trust document.

**Co-Trustee**
We act as a co-trustee with the individual(s) you designate. FPTC assumes administrative responsibilities for the trust, but shares discretionary decision-making with the co-trustee(s) according to the trust provisions.

**Successor Trustee**
We step in once the individual or corporation you name as sole or co-trustee is no longer willing or able to serve.

**Agent for Trustee**
In some cases, you may want to keep your current trustee(s) in place, but the trustee(s) need help with the responsibilities. FPTC may be able to assist with some of the administrative duties.

**Directed Trustee**
With the appropriate trust language in place, FPTC may be able to serve as a directed trustee or co-trustee, handling the administrative duties of a trustee while taking direction from an external advisor on investment management.

**Trustee Referral Program**
In unique situations where FPTC cannot act as a trustee, we can refer you to a trust company that may meet your needs. In many cases, this may allow Fidelity to continue to manage your eligible assets while a corporate entity acts as trustee.
Working with Fidelity® Personal Trust Company

A dedicated trust professional will work with you, your family, and loved ones. Our trust professionals are well versed in complex trust-related issues. If you already have a relationship with an individual Fidelity advisor, your trust professional will work with him or her to ensure continuity.

1. **We’ll take care of the details.**
   Fidelity® Personal Trust Company can handle all the paperwork and recordkeeping associated with managing your trust, such as:
   - Administering the trust in a professional manner, including making the important decisions about trust distributions to beneficiaries as needed
   - Preparing and filing all required tax returns for each irrevocable trust
   - Performing annual administrative and investment reviews
   - Accounting for principal and income on irrevocable trusts
   - Reporting income, expenses, and capital gains and/or losses, and distributing income and/or principal to beneficiaries as may be required

2. **We’ll keep you informed.**
   We strive to keep an open line of communication. You and/or your individual trustee(s) and beneficiary(ies) will receive regular updates, including:
   - Monthly statements showing all account activity
   - Thorough documentation, including estimated tax basis and gain or loss information
   - Quarterly reviews, for accounts that use Fidelity investment management, providing a market overview for the period and information about investment decisions made on behalf of the trust
Fidelity® Wealth Services

Professionally managed accounts available through Fidelity® Wealth Services that can be tailored to your priorities and preferences including tax-smart investing management.¹²

FPTC works with you and your portfolio specialist or trust professional to establish specific goals for your account. We believe a well-diversified portfolio is best positioned to achieve your long-term goals. Depending on your preferences and profile, your portfolio will be constructed with mutual funds, exchange-traded funds, and/or individual securities. Depending on the investment approach that fits your needs, it can be tailored further through different investment approaches and investment options.

We can provide asset management of your trust.

Whether you select FPTC to manage your trust assets or use an external advisor, we have the solutions to meet your needs. Professional investment managers assist in implementing long-term financial and estate planning strategies through ongoing portfolio management during your lifetime and after your death. They work with you and/or your trustee to help with the complex responsibilities of recordkeeping, certain tax considerations, and investment management.

You can count on us.

When FPTC has investment authority, it will:

- Adhere to prudent fiduciary guidelines.
- Consider the potential federal income tax consequences.
- Ensure ongoing professional investment management.
- Seek to manage risk and return on your trust assets.
Your next steps

Talk to your advisor about Personal Trust Services, or call us to speak with one of our trust professionals to discuss how we can help.

Call 1-800-696-1491.
Fees

- Fees for trust administration when FPTC serves as trustee or co-trustee start at 0.45% for the first $2 million of trust assets, with additional breakpoints for larger trusts.
- There is a minimum annual fee of $4,500 for trust administration.
- See FPTC Schedule of Fees for a full description, including fees for additional services.
- Additional advisory fees apply for investment management service.
- Fees for additional services will be determined on request and assessed on delivery. Such additional charges may include fees for tax preparation of fiduciary tax returns and fees related to certain nonfinancial assets held in trust, such as residential real estate and life insurance.
Investing involves risk, including risk of loss.

1 Fidelity® Wealth Services provides non-discretionary financial planning and discretionary investment management through one or more Portfolio Advisory Services accounts for a fee. Advisory services offered by Fidelity Personal and Workplace Advisors LLC (FPWA), a registered investment adviser, and Fidelity Personal Trust Company, FSB (FPTC), a federal savings bank. Nondeposit investment products and trust services offered through FPTC and its affiliates are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, are not obligations of any bank, and are subject to risk, including possible loss of principal. Brokerage services provided by Fidelity Brokerage Services LLC (FBS), and custodial and related services provided by National Financial Services LLC (NFS), each a member NYSE and SIPC. FPWA, FPTC, FBS, and NFS are Fidelity Investments companies.

2 “Tax-smart,” also referred to as “tax-sensitive,” investment management techniques are applied in managing taxable accounts (including “tax-loss harvesting”) on a limited basis, at the discretion of Strategic Advisers primarily with respect to determining when assets in a client’s account should be bought or sold. As a discretionary portfolio manager, Strategic Advisers may elect to sell assets in an account at any time. A client may have a gain or loss when assets are sold. Strategic Advisers does not currently invest in tax-deferred products, such as variable insurance products, or in tax-managed funds, but may do so in the future if it deems such to be appropriate for a client. Strategic Advisers does not actively manage for alternative minimum taxes, state or local taxes; foreign taxes on non-U.S. investments; or estate, gift, or generation-skipping transfer taxes. Strategic Advisers relies on information provided by clients in an effort to provide tax-sensitive investment management, and does not offer tax advice. There are no guarantees as to the effectiveness of the tax-sensitive management techniques applied in serving to reduce or minimize a client’s overall tax liabilities, or as to the tax results that may be generated by a given transaction. Except where Fidelity Personal Trust Company (FPTC) is serving as trustee, clients are responsible for all tax liabilities arising from transactions in their accounts, for the adequacy and accuracy of any positions taken on tax returns, for the actual filing of tax returns, and for the remittance of tax payments to taxing authorities.

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