

AG&T Attorney Referral Network

How to work with AG&T

American Guaranty & Trust Company is committed to only involving itself in situations where the client's best interest is always paramount. To that end AG&T requires that anyone contemplating establishing a trust have access to high quality independent legal advice.

This document will summarize the various ways that AG&T works with attorneys to achieve the client's objectives.

- I. **AG&T refers client to attorney** – In this situation the client does not have an attorney that they want to use. Since AG&T will not accept a trust unless it has been reviewed and approved by the client's attorney, it is necessary that the client hire counsel to review the trust. This is where the attorney referral network becomes useful.

AG&T will provide the client with names from the attorney referral network. The client usually asks what the cost of the attorney will be. It would be helpful if we could give the client some idea as to how the attorney charges – hourly, flat fee, etc. and approximately how long the legal work will take.

Once we know which attorney will be selected, we will coordinate with the attorney and the client. Usually the client and the attorney meet in person but if all parties are agreeable, the meetings can be conducted by telephone conference. AG&T requires that the trust document (for new trusts) be either drafted by the client's attorney or if drafted by AG&T, be reviewed, modified (if necessary) approved and signed by the client's attorney.

If the trust document is drafted by the attorney, AG&T will review the final draft prior to execution to make sure the provisions are acceptable to AG&T. AG&T will work with the attorney to get the document in final form acceptable to all parties. At that point the trust can be executed, the account opened and the assets transferred.

- II **Attorney refers a client to AG&T** – In this situation, the attorney has decided that the benefits of a Delaware corporate trustee warrant recommending that the client consider using AG&T.

The procedure here is similar to the one set out above and focuses on client communication, document preparation, review and acceptance. The procedure will vary somewhat depending on whether the trust is new or revocable or in existence and irrevocable.

AG&T trust officers and legal staff are available for meetings (by telephone or in person) with the prospective trust client and referring attorney.

New Trust or Revocable Trust

Once the decision is made to utilize AG&T's services for a new trust or a trust that can be amended, the document will be prepared or modified by the attorney or by AG&T legal staff under the direction of the attorney. Once the document is prepared, reviewed and is acceptable to all parties, the trust is executed, and the account is opened and funded.

Existing Irrevocable Trust

An existing trust that cannot be amended will need to be reviewed by AG&T. If AG&T is willing and legally able to accept the trust, in its current form, then AG&T will accept and be named as successor trustee, the account opened and the assets transferred.

If for some reason, AG&T is not willing or able to accept appointment as trustee under the document in its current form, there are several alternative arrangements that may be explored. One is to determine whether a judicial modification is possible from a legal and practical standpoint.

Another possibility is to explore the option of having AG&T provide administrative services to the current trustee. In that case the current trustee, usually an individual, would be trustee and AG&T would provide all the accounting, tax, custody, administrative and investment (if required) services on behalf of the trustee.

For additional information, please contact Virginia Brooks in our legal department at 800-441-7698 ext 4533.