

Personal Trust & Wealth Management

DISCOVER YOUR LEGACY



Citizens

BANK & TRUST COMPANY

MEMBER FDIC

Planning with confidence.

You've spent a lifetime accumulating and managing your assets, and establishing an estate plan can help you direct how your wealth is managed during your working life, throughout your retirement years and after your death, helping you leave the legacy you've envisioned.

One common way to ensure the proper management of your assets is through a trust. Essentially, a trust document describes:

- How you want your assets managed and eventually distributed.
- Who you want to benefit from your assets now and in the future.
- Who you want to be responsible for carrying out these instructions.

Discover the benefits of a trust that meets your needs.

A trust can provide a measure of comfort, knowing you have a plan in place to help provide for a safe and accountable management of your assets.

The main benefit of an estate plan utilizing a trust is that the trustee will administer the assets in accordance with the grantor's specific wishes, goals, and objectives as stated in the trust document.

A trust also provides guidance for family members who may be unaccustomed to dealing with financial matters, it can offer preservation of assets in case of divorce or other litigation, and assure funding is available for specific needs, such as education, healthcare, or charitable interests.

Overall, a trust provides a framework in which money and other assets are managed in a predictable fashion, by people **you** choose, according to standards **you** set.

Establishing a trust can also help you:

- Avoid the costs and time delays of probate.
- Provide for your beneficiaries.
- Protect your heirs from family disputes.
- Benefit charities.
- Maintain control of your assets after you are gone.
- Protect assets from creditors.
- Reduce tax liability.
- Maintain privacy, as trusts are not available for public viewing.





Consider your options.

Trusts can be used in a variety of ways, and different types of trusts are designed to meet different objectives. Essentially, there are two basic types of trusts. Revocable or living trusts are commonly used in many individuals' estate plans. An irrevocable trust is typically used for specific transfers of assets, tax benefits, and to handle assets after you've passed away.

Revocable or Living Trust

A revocable or living trust is a trust you can change or cancel during your lifetime. This type of trust allows you remain both the trustee and the beneficiary of the revocable trust while you're alive. In other words, you maintain control of your assets and receive all income and benefits. Similar to a will, a revocable trust can also be used to transfer assets at death, yet without the formal, court-supervised process of probate. Once you pass away, your wishes are final and thus the trust becomes irrevocable. When the trust becomes irrevocable, a designated successor trustee manages and/or distributes the trust assets according to the terms set in the trust, avoiding the slow and expensive probate process.

Irrevocable Trust

An irrevocable trust is a trust that cannot be changed or cancelled at any time. However, the terms of many irrevocable trusts usually provide tremendous flexibility. While many irrevocable trusts come into being at death, irrevocable trusts established before death are often used to hold life insurance policies, gifts of assets to be made available to beneficiaries at a future time, or funds for future charitable contributions. Also, this type of trust can provide beneficial tax results because irrevocable trusts are written to follow patterns based on the rules in the Internal Revenue Code. Accordingly, the structure most suited to your needs can best be determined with the help of a tax and/or legal advisor who specializes in this field.

Selecting the right trustee.

Whether your trust is simple or complex, you need an experienced trustee who will honor your wishes and execute the provisions of your trust. While it may be comforting to name a relative or a close friend as your trustee, it's important to carefully consider your choices. This is especially true because the responsibilities of trustees have become increasingly complex and time-consuming as there are many laws and regulations that together define the duties of a trustee. **Citizens Bank & Trust's** dedicated trust professionals have the experience and resources to manage the details of your trust. As each trust is a unique document, CB&T tailors the services we provide to properly manage your assets based on your wishes and to fit the needs of the designated beneficiaries of your trust.



Choose a professional to administer your trust.

Citizens Bank & Trust understands the importance of safeguarding your wealth and ensuring your legacy is preserved for future generations. Thus, choosing Citizens Bank & Trust as your professional trustee allows us to work with you and/or a financial advisor to invest and distribute assets based on your wishes.

In other words, as your trustee, CB&T does the day-to-day management of the trust so that your financial and estate goals are accomplished. We'll monitor changing legal requirements to make sure your trust stays in compliance, and we'll take care of all the details, step by step, including the following:

Administration and reporting	Accounting and tax reporting
Maintaining detailed records	Tracking and reporting trust principal and income accounting
Managing trust assets, including investments, business affairs, and real property	Collecting income from trust assets
Providing required statements to beneficiaries	Preparing and filing taxes, including property and income taxes
Paying bills and managing service-level agreements	Distributing assets and funds in accordance with your trust document
Annual trust account and investment reviews	Providing tax reporting to beneficiaries

Being a trustee can be a difficult role to fulfill, particularly for family members or friends. Dealing with the distribution of trust assets to beneficiaries can be personal and emotional. After all, trustees have to make tough decisions that might not be popular with all your beneficiaries.

While a family member or friend may offer familiarity with your family situation, they may lack the expertise in administering complex trust duties, such as managing investments or complying with fiduciary law and practice. They may also have difficulty dealing with personal conflicts among beneficiaries.



Lasting support from a professional trustee.

As a professional trustee, **Citizens Bank & Trust** has handled various types of trusts, and there are several benefits to naming CB&T as your trustee of your trust, such as:

- The experience in handling the legal and regulatory requirements involved with your trust.
- An objective and impartial approach you may not find with a trustee who is also a family member or friend.
- Competitive and comprehensive fees and low minimums for affordable and accessible service.
- Assume the legal responsibility for the proper administration of your trust.
- The ability to administer the trust for as long as it exists—unlike some individual trustees.

Whether you're considering moving your current trust relationship to Citizens Bank & Trust or establishing a new trust as part of your overall estate plan, our personal trust professionals will work with your estate planning attorney and financial advisor to make sure your trust fits within your wealth management goals to protect your legacy.

Factors to consider when selecting a trustee:

- How long is your trust likely to last?
- How complex will your trust be?
- What assets are being held in your trust?
- Will family dynamics impact administration of your trust?



Continue your wealth management plan.

In general, a trustee is ultimately responsible for the preservation and investment of assets in your trust, ensuring that invested assets are productive and managed appropriately given the trust's objectives. The trustee has the legal responsibility to reassess the objectives of the trust and current market conditions at least annually, and to be sure that the investments match those objectives. Trustees will often hire professional managers to handle day-to-day specialized activities, such as real estate and business management, and the day-to-day investment management activities are delegated to your trusted financial advisor.

Regardless of the size of your assets under management, our long-term focus means appropriate allocation of investments to fit the account and directions of your trust document. Thus, the investment strategy of Citizens Bank & Trust is customized for the best interest of each individual client. A trust account with CB&T can hold most investments, including mutual funds, stocks, bonds and other marketable securities. Some of our trusts also own real estate, annuities, insurance, and other assets. As a federally and state regulated bank, we maintain strict compliance and risk management controls designed to keep your assets safe.

Citizens Bank & Trust can manage all of your trust and financial needs in one place, or we can coordinate with your selected financial advisor to satisfy your wealth management objectives.

What are the next steps?

If you are interested in obtaining a trust to serve your estate planning needs, you may want to:

Discuss your goals with your financial advisor and/or attorney who can help determine whether a trust may be right for you.

Have the trust document drafted by your attorney who can name Citizens Bank & Trust Company as trustee or successor trustee. If you already have a revocable trust, you can have your attorney draft an amendment to the document making CB&T trustee or successor trustee.

Work with your financial advisor and CB&T to set up a trust account and transfer appropriate assets into your trust.

Enjoy the comfort knowing that your estate and financial wishes will be carried out.





Additional Services – Estate Settlement.

When it's time to settle your estate, your heirs will need an experienced representative who serves your best interest. Citizens Bank & Trust can accomplish this by acting as an executor or personal representative of your estate.

Estate Administration

As a professional executor or personal representative, we ensure your estate is managed correctly and your assets are properly administered to your heirs in accordance with the terms of your will. Our experienced professionals avoid the time-consuming and costly mistakes individuals sometimes make when settling an estate.

Estate Settlement

Here's what CB&T can do for you:

- Safe-keep and protect assets
- Consolidate estate assets
- Take inventory of personal items
- Secure valuations of all assets
- Review instruments
- Determine debts and claims
- Prepare final tax returns
- Facilitate final distributions
- Manage real estate issues
- Handle utilities and insurance payments
- Manage disposition of personal property

Not only are these responsibilities time consuming, they often require professional guidance from legal and tax experts—a significant expense that can reduce an estate's value to heirs. We settle estates in a timely manner while avoiding unnecessary costs.

Peace of Mind

Settling an estate can be a difficult and emotional time. We make it easier by taking care of the various administrative details, giving your heirs the ability to focus on family.

Alleviate conflict. We provide an objective voice in the distribution of property.

Professional reliance. Our professionals offer expert guidance and efficiently settle your estate.

Look to the future. Appointing Citizens Bank & Trust as your executor will provide your heirs continuity as they transition through life changes and work towards securing their financial future.



CITIZENS BANK & TRUST



Micah Brown, who serves as the Trust Officer for Citizens Bank & Trust Company, received his undergraduate degree from the University of Central Arkansas. Micah then attended law school at the University of Arkansas School of Law where he obtained his Juris Doctor, graduating cum laude, in May 2020. After graduating law school, he practiced law in Northwest Arkansas where his primary areas of focus consisted of finance and credit, commercial transactions, bankruptcy, and real property investments. During his time practicing law, Micah testified for the U.S. Department of Agriculture and several state legislatures. Additionally, Micah's legal work has been featured in numerous national and global publications, such as Forbes, The Economist, Fox News, and The Washington Post, among several others.

Now serving as the Trust Officer for Citizens Bank & Trust, Micah looks forward to meeting with you to discuss your trust and estate goals, and how CB&T can assist you in leaving the legacy you envision.

You can schedule an appointment with Micah by calling **(479) 410-5104** or by emailing **micahbrown@cbankandtrust.com**.

The information provided in this publication is for informational purposes only and does not constitute legal or financial advice. Please consult with your attorney or financial advisor for specific guidance relevant to your situation.

