

# TRUST

## Value Proposition and Positioning Our Trust Capabilities



### Positioning Comerica Trust

Comerica Advisor Solutions is valuable to you as you build your practice. It is also important for your clients to understand the value that we offer to them and their families. To that end, the following are offered as suggestions to articulate the value proposition to clients and prospects.

Provided in this document are several talking points to help position various capabilities of a corporate fiduciary over an individual trustee. You will notice that the clients and their families are the focus of the talking points rather than Comerica. Having a client-centric approach is critical to your success.

In what follows, we intentionally are positioning to what would most likely resonate with wealthy clients and prospects and directly addressing their needs versus our structure. This may seem difficult at first, but with practice it will become your preferred way of positioning as you will find that clients tend to respond much more favorably.

### Value Proposition

Affluent families face varying degrees of complexity when managing their wealth. Most clients want a sound plan in place that is centered around the family as a whole and not just on the creators of the wealth. Some clients want to ensure that the management and transfer of wealth to their families is easy and seamless. Others want to provide incentives to keep heirs from relying solely on the wealth as their means of living. For some, it is simply about ensuring that they have the necessary stream of income for their lifetime. For others, maximizing tax benefits may be the primary objective. Perhaps all of the above are important to your client. It is the key mission of Comerica Advisor Solutions to help you help wealthy individuals and their families reach their goals.

### Positioning Comerica's Capabilities

Clients and their estate planners can name Comerica as trustee, executor or successor trustee. The following are ways to position Comerica's fiduciary capabilities through the client's view rather than Comerica's business structure or technical jargon.

### Wealth Preservation and Transfer

*(aka wealth planning that includes trusts and a will for the owners of the wealth, their loved ones and the community).*

Think of this as strategic wealth planning. Just like a successful business has strategic plans that may include exit strategies and worst-case planning, wealthy individuals and families need to have similar strategic plans. Every successful business owner plans for the ordinary and routine business events (e.g., tax liabilities, cash flows, market pressures) along with the unforeseen (e.g., competitive disruption, acquisition, regulations). Trusts and wills are two of the primary strategic planning tools for high-net-worth business owners to plan for how wealth will be managed once the owner is no longer able to manage that wealth. Comerica Advisor Solutions and our partners can assist owners of wealth to develop a plan and update the plan when necessary.

The wealth plan provides a roadmap to determine how wealth is to be transferred to others or kept in trust and maintained for multiple generations of heirs. It may include details such as how much beneficiaries receive, under what circumstances, how loved ones are to be taken care of in the event of the incapacity or death of the grantor.

Comerica Advisor Solutions has teams of professionals that help high net worth individuals and families through the fiduciary planning process. Not only do we assist with the strategic development of the wealth plan we also assist or lead in the execution of the plan.

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### Seamless Transfer of Wealth

*(aka estate settlement)*

The death of a loved one is a very difficult time especially when the family must promptly address the inevitable administration of the loved one's estate.

The estate settlement process involves creating an inventory of all of the assets that the individual owned during their life, including real estate, businesses, personal property such as cars, jewelry, and liquid assets such as cash and investments. Estate assets then have to be valued for estate tax purposes and then a report of the inventory, the taxes and all of the transactions during the settling of the estate must be filed with the local probate court.

The estate settlement process can put enormous emotional pressure on families, especially when a family member is responsible for the administration of the estate.

Comerica Trust has a team of experienced Estate Settlement Advisors specifically dedicated to the administration of high-net-worth estates. These professionals work closely with families to ensure that they are advised of each step in the process, including progress, milestones and potential roadblocks. Comerica's Estate Settlement professionals are well trained and experienced in the technical aspects (e.g., tax liabilities, inventories, valuations) of estate settlement, but are also sensitive to the intensely personal aspects of the estate settlement process (e.g., supporting a surviving spouse, children from a first marriage, etc.).

### Giving Back to the Community

For some wealthy individuals, their plans call for gifts to charity. This can take place during the person's life-time, after death, or both. Clients may want to put highly appreciated assets into a Charitable Trust to benefit a favorite charity or may want to gift all of their assets to a private foundation that will continue after their death.

The plans discussed earlier should detail specific charitable intentions and should appoint the right professionals to execute the plan after the death of the wealthy individual.

Comerica Trust has a team of specialists in charitable administration who work closely with our Comerica Advisor Solutions partners in the management of charitable gifts whether made during the donor's lifetime or after death. These specialists can guide donors to select the right structure for charitable gifts and can even suggest specific charities if the donor is uncertain.

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### Providing for a child or grandchild with special needs

Unfortunately, many families experience the life changing and tragic experience of child with special needs. These situations can occur as a result of a medical procedure, a tragic accident or in any other number of ways.

The needs of that child and their family may be radically different from that day forward. A care plan is often needed in order to ensure that sufficient funds will be available to provide care for the child's entire life if necessary. Coordination with Medicare is very important and can be extremely challenging. Managing assets to ensure that the proper level of long-term care is provided is critically important when the child is awarded a legal settlement to provide for lifetime care or a special needs trust is established by parents or grandparents. Specialized administration is essential and working with a Trustee that has extensive experience in handling these unique trusts is critical to the long term care of the beneficiary.

Comerica Trust has a team of Special Needs Trust Advisors who focus solely on administering special needs trusts. This may include interacting with family members for the day-to-day care of the child, coordinating with Medicare, modifying or upgrading the home to accommodate the child's specific special needs, or obtaining a special vehicle to transport the child, among other things.

### Management of financial assets for the long term

Managing financial assets is often the central concern of high-net-worth individuals and families. Identifying short-term and long-term goals (e.g., education, retirement, sale of a business, second home, gifts to children), determining attitudes toward fluctuations in the value of assets (i.e., market volatility), determining current and future cash flow (e.g., spending) needs are a few of the important components that go into establishing an investment plan or strategic asset allocation—and that's just the first step.

The second step is the management of market information that informs how the strategic allocation may be assessed and altered. Knowing when to ignore certain market information and when to act on other data is part of this critical second step.

The third step involves periodically assessing the investment plan by reconfirming elements determined in part one and making any necessary tactical changes.

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Sample case studies of how Comerica Trust can provide solutions for wealthy families, business owners and high net worth individuals.

### PROFILE #1

Frank and Meghan created a trust for their children, naming Frank's brother John as the trustee. Although John was a capable administrator of the trust, Frank and Meghan had an increasingly difficult time managing the assets in the trust separate from their investment account with their financial advisor. When John's employer transferred him to another state, it only made things that much more difficult.

### SOLUTION

At the suggestion of their financial advisor, the couple named Comerica as the new trustee for their account. The Comerica Fiduciary Strategist worked closely with the financial advisor to ensure that the transition was quick and in line with the objectives of Frank and Meghan.

### RESULT

As a result, Frank and Meghan have a corporate trustee with a team of trust professionals continuously overseeing and reviewing their trust account in coordination with their financial advisor. Through the Advisor Solutions partnership with the financial advisor, Comerica will provide continuity for the assets to remain managed by the advisor for years to come. And now, when they get together with John and his wife, they talk about everything but their financial future.

### PROFILE #2

When her husband passed away, Margaret found out that she was not prepared for the unexpected, at least not financially. She now would be burdened with managing a sizeable estate, grieving the death of her husband, paying bills and dealing with her own health issues. With \$6.5 million in total net worth, including two residences, a multi family apartment building and \$1.5 million in closely-held stock and trusts, she needed professional expertise.

### SOLUTION

Margaret already knew her financial advisor, but she needed assistance in settling her husband's estate. Her financial advisor explained her rights as a beneficiary of her husband's trusts, and helped her children understand his estate planning decisions. The financial advisor suggested to have the estate administered by Comerica to remove the burden and stress from the family and to oversee that the estate assets and bequests were handled properly.

### RESULT

Margaret was greatly comforted by the fact that the asset management would remain with the financial advisor and was relieved that Comerica had the expertise to handle the estate administration. Once the planning and asset collection in place, there would be no delay in distributions to her or the other family members. In collaboration with the financial advisor, Comerica provided timely restructuring of the investment portfolios to suit her changed circumstances.

### PROFILE #3

Mark, a resident of New York, was ready to transition his business to the next generation, however his two children were not interested in being part of the continuing business. Mark wanted to ensure that the children received their fair share of the assets but was hesitant to establish a trust. He has worked with the same financial advisor for more than 25 years and does not wish to sever that relationship.

### SOLUTION

Mark's financial advisor suggested that he establish a Directed Trust in Delaware in order to take advantage of the investment direction feature allowed by the state, as well as a host of other tax advantages and flexible benefits adopted by that jurisdiction. With the directed trust, Mark would be able to name Comerica as the corporate trustee while delegating the investment management of the trust's assets to his long-term investment advisor.

### RESULT

Mark discovered the best of both worlds with the Delaware Directed Trust: he had the comfort of naming a trustee with the expertise to handle the fiduciary and administrative aspects of the trusts for his children, while retaining the services of his trusted financial advisor. Mark expressed a great deal of comfort in knowing that Comerica Bank was open and committed to working with his other trusted advisors.

## Want to Know More?

Want to know more about this topic or any other, Comerica welcomes the opportunity to help. [Contact your Comerica Advisor Solutions Relationship Manager or visit \[comerica.com/trust\]\(https://comerica.com/trust\).](#)

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