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Are You a Creature of Habit – at the Expense of Your Clients?

In many situations, being a creature of habit is beneficial. It guides you through well-worn paths, helps you drive toward known outcomes, and even introduces efficiencies that save time.

But it can also be a hindrance. For example, always doing the same routine—making the same choices—can blind you to new opportunities and cause you to overlook alternatives and make decisions that are less than ideal.

This is true in business, where important decisions are made daily that can affect you and your clients. One of the most common habitual decisions we encounter as a trust company when speaking with attorneys is taking repeat business to a service provider whose office is located physically near to them, usually in their home state, often in the same town. The company is often originally selected for this very reason—being in close proximity. And once used, the attorney is likely to continue the habit of repeatedly engaging the same provider.

But when the need calls for services that do not have a physical constraint, selecting a service provider that's in your same locale is not necessary. Delivering pizza, yes. Delivering information services and management—like Sterling does with best-of-breed trust administration—definitely not.

Whenever possible, your goal should be to choose the right service provider, not the closest.

But what is the “right” service provider in the case of trust administration? It's the one that delivers maximum benefit to you and your clients. The one that offers service and support that's the best available in the market.

In trust administration, the right trustee should be located in—and can situs your clients' trusts in—a state with favorable trust law, like Sterling does with its clients administering trusts in South Dakota, a state with no state income tax. State tax savings could be considerable, especially in states like California and New York where rates reach 13% annually.

The right trustee is also the most responsive, flexible and accommodating to address your client beneficiaries' requests as quickly as possible. Sterling was established specifically with this goal in mind—to provide unparalleled responsive service for its clients and as a result deliver the maximum benefit.

Getting clients comfortable with a new trust jurisdiction is straightforward. Attorneys breaking the habit and finding and agreeing to work with a new, trustworthy partner is hard.

The biggest obstacle we find is that attorneys might not be licensed to practice in South Dakota. But that does not mean they can't bring the benefits of South Dakota to their clients. Sterling introduces attorneys to skilled South Dakota counterparts that review all related documents to ensure they conform to South Dakota law. South Dakota attorneys are there to work collaboratively with you to achieve the best outcome for your client. The end result is you providing your client with the best solution to their estate planning problems.

What are the signs of a trustworthy trust administration partner?


Company longevity. Client longevity. Client testimonials. Total AUM. Breadth of customers (geography, net worth). Sterling delivers across all of those measures.

Maybe it's time for a change of habit.

Talk to us today about why we're quickly becoming one of the leading trust administration companies in the US.

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