



7. The TRU Scorecard

6. The Periodic Trust Distribution

8. The Annual Tax Letter

5. The TRU Conversion Option

4. The Asset Transfer

3. The Appointment Process

2. The Document Review

1. The Successor Trustee Option

The TRU Trust Advantage™

Heritage Trust succeeds in managing trusts that are true to the wishes of the grantor and to the needs of the beneficiaries.



HERITAGE TRUST COMPANY

Of New Mexico

8020 NDCBU • 630 PASEO DEL PUEBLO SUR • TAOS, NM 87571
(505)758-7700 • (800)850-7775 • FAX: (505)758-7736

The TRU Trust Advantage™

- A.**
1. You do not have to be shackled to your current trustee. In most cases, Heritage Trust Company of New Mexico can become the successor trustee for existing trusts.
 2. Whether or not Heritage Trust Company can become a successor trustee generally depends on the language of the trust document itself. We have the experience to review trust documents and to determine what the requirements are for appointing a successor trustee. Our qualified staff, aided by outside experts, can quickly make this determination for you.
 3. Once it is determined that Heritage Trust Company can become the successor trustee, we use a series of proprietary documents that assist in simplifying the trust transfer process. Most often these documents are executed by the trust beneficiaries, the departing trustee, and Heritage Trust Company as successor trustee. In some cases court approval may be required and can be facilitated by the Heritage Trust Company team.
 4. Heritage Trust Company knows the ins and outs of transferring investments from the successor trustee's custodian to the custodian of choice at Heritage Trust Company. We have handled numerous asset transfers and know the importance of verifying the receipt of 100% of the assets and any accrued income from the prior trustee to the books and records of Heritage Trust Company.

- B.**
5. Newly enacted legislation allows for many trusts to be converted to Total Return Unitrusts or what are commonly called TRUs. TRUs help to eliminate the historical tension between current income beneficiaries and remaindermen by utilizing modern portfolio theory to optimize investment decisions that benefit both parties. Heritage Trust Company is familiar with the steps required to convert existing trusts to TRUs. If it is decided that a TRU conversion is desirable, we have developed the documents to make the TRU a reality.

- C.**
6. Once Heritage Trust Company becomes successor trustee, an ongoing annual process begins with the establishment of a periodic distribution which usually goes to the income beneficiary. We are well acquainted with the latest in electronic banking technology to make such payments quick, easy, and secure for the beneficiary.
 7. The performance of your trust investments is critical. Heritage Trust Company provides you with periodic statements that provide you with your investments as well as a scorecard to evaluate your investment's performance against industry-accepted benchmarks.
 8. Heritage Trust Company knows the importance of timely and accurate tax letters. After the end of each year, annual tax letters are issued by us to trust beneficiaries. These letters show what income must be reported by the beneficiaries on their own respective federal and state income tax returns.

A. Heritage Trust Company charges an upfront fee for Steps 1-4. Depending on the complexity of the trust, this fee is either a fixed fee or an hourly fee.

B. Step 5 is optional. If Step 5 is chosen, then Heritage Trust Company charges a second fee that is either fixed or hourly.

C. Steps 6-8 are recurring annual fees that are usually based on a percentage of the assets under management. In some cases, it may be advantageous to have our fees calculated on our hourly billing rates.