

Randall C. Rolfe  
988 Jefferis Bridge Drive  
West Chester, PA 19382-2054  
(610) 429-4579

## The Impact on Families of Disputes over Trustees

As a family counselor, I have seen a number of families who have experienced chronic stress and periodic falling outs among family members because of disagreements over the steps that should be taken to protect the family's trust corpus.

Even if all family members agree that the trust is not performing as reasonably expected, the effort and cost of changing trustees is either prohibitive without this bill or becomes a new bone of contention as the family tries to figure out who will pay the costs, whose lawyer to use, when to terminate the effort when costs escalate, and so on.

The best thing the trust-maker would want is for their family members to have ~~no~~ ~~contingency~~ on going disputes over the adequacy of the trust management and yet this is exactly what happens. I have known a brother who won't speak to a sister, sisters who have nothing to do with each other and brothers who are <sup>suspicious</sup> ~~fearful~~ of each other simply because of different views of how a trust is being handled. Yet they have no realistic way of resolving their differences. Unless the trust performance gets so ~~very~~ bad that the trustee can be removed for cause under the present law. Meanwhile, the family can squabble for years to no avail.

There can also be great tension between child beneficiaries or remainder beneficiaries and their parents, particularly widowed parents, who might like to change trustees but don't want to or can't afford to accuse the trustee of any wrongdoing for one of two good reasons:

First, the trustee's behavior may not have been so terrible that it merits removal for cause, yet the family objects to fees, portfolio or communications arrangements and wants a change.

Second, the widow/widower may not want to start a proceeding which might imply that the trust-maker made a mistake, thereby imposing some embarrassment on the family, even though the trustee may have changed significantly since the making of the trust.

Therefore, it seems in keeping with Pennsylvania's interest in supporting family harmony and customer satisfaction with financial institutions in this Commonwealth to establish this procedure whereby Pennsylvania's families can change trustees without prohibitive expense or burdensome implications when they have by majority choice decided they want a change. The procedure is sufficiently deliberate that I am satisfied families will not

seek changes lightly but instead will be able to make a change when the chronic stress of general family dissatisfaction ~~reaches~~ reaches a point where change is appropriate.

Actually I see this as an opportunity for trustees to achieve higher satisfaction with their clients because the relationship is more voluntary on both sides, just like when we choose which bank will handle our child's first savings account.

Thank you for giving me this opportunity to help reduce the stresses on American families.

Bandy Balfé, J.D.  
Family Counselor  
Writer (3 books on  
family life in print)