## Shipman & Goodwin as Trustee

Shipman & Goodwin currently administers over 350 trust accounts valued at more than $400 million. For most of these accounts, lawyers in the Firm serve as trustees, receiving investment advice from outside professionals paid by the Firm.

The Firm has been in existence since 1919 and has been engaged in providing fiduciary services almost since its inception. The Firm maintains professional liability insurance coverage and a crime insurance policy which covers fraud, theft, and other kinds of dishonest acts of employees.

Shipman & Goodwin lawyer trustees have the benefit of the Firm's consulting relationship with Bradley, Foster and Sargent, Inc. (BF&S), a Hartford-based investment advisor with over $2 billion under management. The members of the Firm's Trust & Estates Practice Group receive monthly and quarterly reviews, updates and materials which BF&S produces for its staff and clients, including reviews of the economy, the markets, and large cap equities followed by BF&S. A BF&S Portfolio Manager works closely with the Firm's other investment professionals, a former senior bank investment officer and a Certified Financial Planner™ (CFP®). In addition, Shipman & Goodwin lawyers serve as trustees of trusts managed by advisors chosen by the client and work with such advisors in administering those trusts.

Shipman & Goodwin lawyer trustees and the Firm's outside investment advisors focus on asset allocation across all of the major asset classes, reflecting a belief that a broadly diversified global portfolio is the foundation for a successful trust investment plan. This approach results in a consistent effort to take a long-term view and to distinguish short-term developments or "noise" from longer-term trends. This long-term approach to trust administration results in lower-than-average portfolio turnover; excessive turnover in taxable accounts raises the tax liability of the portfolio and puts a considerable damper on long-term growth. The Shipman & Goodwin lawyers serving as trustee and the Firm's outside investment advisors believe that equities are the cornerstone of a long-term plan. Only equities produce earnings, and letting good earnings and dividend growth compound over time appears to be the best way for trusts to build capital. This philosophy also discourages attempts to "time the market."

While practices within the Firm may vary somewhat from lawyer to lawyer, trustees receive reports of the accounts for which they are responsible and review the transactions and the investments in these accounts on a regular, usually monthly basis. The trustees and outside advisors also have the ability to track the performance of trusts against appropriate benchmarks on a quarterly basis. In addition, whenever it appears that conditions in an industry or a company may be changing significantly, all accounts which have holdings in that industry or company are reviewed.

At the client's option, the Trust Agreement can include a provision allowing a beneficiary to remove the trustee at any time.

The Firm also manages the tax and accounting needs of every trust, including providing necessary tax and accounting information to beneficiaries and filing accounts with the Probate Court when required.