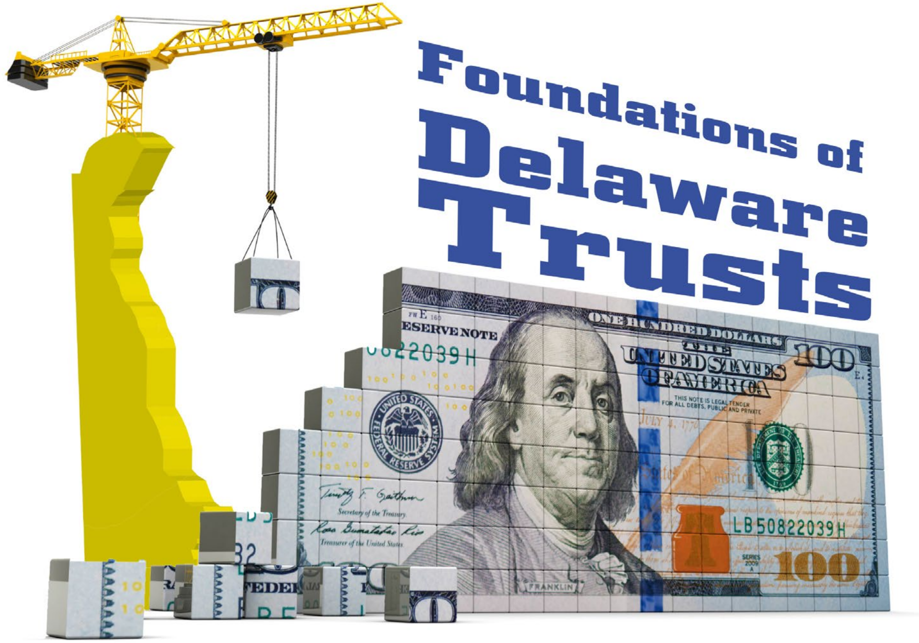

Discretionary Distribution Decision-Making:

Matching Grantor Intent to Trustee Action

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Initiating the Process of Grantor Education: Understanding Grantor's Intent

When a grantor begins the process of creating a trust, he or she should be thinking about:

1. What types of distributions they would like a beneficiary to receive and for what purpose?
2. When does the grantor want distributions to be made to beneficiaries and in what priority?
3. Who should be involved in the decision-making process for distributions?
4. How should the decision-maker measure the beneficiary's need for the distribution?
   a) Does the grantor want to provide funds for a child's education? For elementary and secondary school? For college? For graduate school?
   b) Does the grantor want to provide for his children to live comfortably, while at the same time avoid utilization of the trust for excessive activities?
   c) Does the grantor want the trustee to prioritize the beneficiary needs by providing first for a spouse or child, allowing distributions to other beneficiaries only after the first tier beneficiary needs are satisfied?

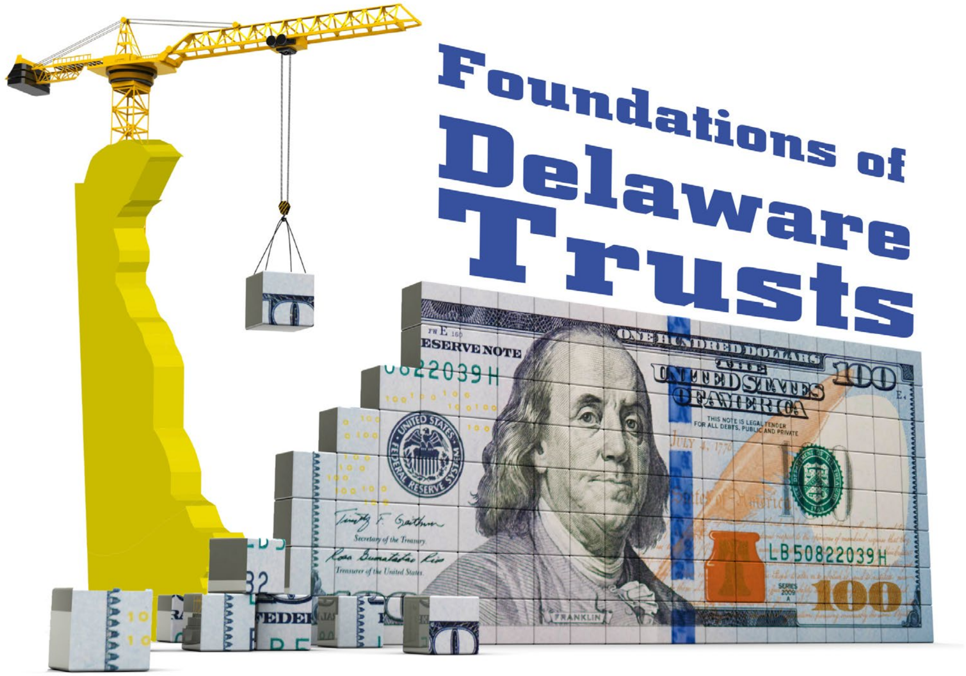
The task of understanding a grantor's intent starts with the grantor understanding of:

1. What options are available for conveying his or her intent?
2. What the language used within a trust document really means?
3. How others will interpret the language selected?
4. What limitations the language selected will place on a trustee being asked to affect his or her wishes?

Carrying Out Grantor Intent: A Grantor Needs to Understand the Trustee's Perspective

To ensure that the grantor's intent will be followed in the manner that he or she intends, a grantor should carefully interview a potential trustee to ensure that he or she understands:

1. How that trustee interprets the distribution standard used in the trust document?
2. Will the trustee consider ancillary documents when making its decision?
3. What is the trustee's process for making discretionary distribution decisions?
4. How long it typically takes for a distribution request to be processed and what paperwork is typically required?
5. What does the trustee require when asked to consider other resources and establish a beneficiary's standard of living?
6. Does the trustee understand the process of working with a Distribution Adviser?
7. Does the trustee offer any education or training for new beneficiaries?
8. What can be done to properly communicate any unique family dynamics or concerns?
9. How can the grantor thoroughly convey his or her value system?



Typical Distribution Standards:

Ascertainable Standards to Directed Distributions and Everything in Between

Understanding the Standard Options

1. The most commonly used standard is the "***Ascertainable Standard***" or the HEMS standard, standing for health education, maintenance and support. It is specifically addressed in the Treasury Regulations and yields the most predictable and objective outcome.

2. The ***Unascertainable Standards*** are also commonly used, but, do not fit within the IRS guidelines. These standards are most often used in situations where the grantor wants to allow a trustee broader discretion to provide for a beneficiary's non-standard type needs. Some examples of unascertainable standards are:
    a) ***Comfort***
    b) ***Benefit, Best Interest, Welfare and Happiness***
    c) ***Necessary, Necessities, Need and Emergency***
    d) ***Standard of Living***

3. An ***Absolute Discretion*** standard provides the broadest flexibility for a trustee; however, it allows little review of the trustee's decisions for either distribution or withholding of funds to/from beneficiaries.

4. Finally, with ***Directed Distributions*** the trustee has no discretion with regard to distributions and is instead directed by a separately named fiduciary, typically someone close to the family, who is given full authority over all discretionary distribution decisions. The individual(s) is typically referred to as a Distribution Adviser (or Distribution Committee).

Ascertainable Standard

The most commonly used standard is the ***Health, Education, Maintenance and Support*** ("HEMS") standard, as it is expressly referenced in Internal Revenue Code Section 2041(b)(1)(A) and referred to as the "**Ascertainable Standard**." *See* Treas. Reg. §20.2041-1(c)(2).

- This type of standard is used quite frequently because it yields the most predictable outcome as the Treasury Regulations and other statutory and written authorities provide a Trustee with clearly defined, objective parameters (although there may be some nuances from state-to-state).

- This standard also yields a predictable estate planning benefit. Where a trust may at some time have a beneficiary serving as trustee, its safe harbor can guard such a beneficiary-trustee from estate tax inclusion and avoid the pitfalls of Internal Revenue Code Section 2041. *See* Estate of Wall v. Commissioner, 101 T.C. 300 (1993); Estate of Vak v. Commissioner, 973 F.2d 1409 (8th Cir. 1992); Rev. Rul.95-58.

- While health and education typically have separate meanings, the terms "maintenance and support are typically considered synonymous and allow for distributions to cover accustomed living expenses and some additional comforts or luxuries that are within the means of individuals of a like station in life. *See* Restatement (Third) of Trusts, §50, comment (d)(2) (2003).

- Support may also include the power to distribute principal for the support of the beneficiary's spouse and dependent children. *See* In re: Sullivan, 12 N.W.2d 148 (Neb. 1943) and Restatement (Third) of Trusts, §50, comment (d)(2) (2003).

“Ascertainable Standard" Common Examples

Health	Education	Maintenance & Support
Emergency medical treatment	Grammar, secondary and high school tuition	Regular mortgage payments
Psychiatric treatment	Graduate school tuition	Property taxes
Psychological treatment	Post graduate school tuition (less common)	Suitable health insurance or care
Routine healthcare examinations	Medical school, law school or other professional school	Existing programs of life and property insurance
Dental	Support of beneficiary while in school	Continuation of accustomed patterns of vacation
Eye care	Support of beneficiary between semesters	Continuation of family gifting
Cosmetic surgery	Studies for the student that makes a career out of learning	Continuation of charitable gifting
Lasik surgery	Technical school training	
Health, Dental or Vision Insurance	Career training	
Unconventional medical treatment	College in Europe as part of a study abroad program	
Home healthcare		
Gym memberships		
Spa memberships		
Golf club memberships		
Extended vacations to relieve tension and stress		

Case Study #1

Joe is the grantor's son. He is an artist and perpetual student. He makes a request for a distribution from his father's Trust for the payment of tuition for his daughter to go to a private elementary school for gifted children. The cost of the tuition is approximately $50,000 annually. What should the Trustee do?

Under the "support and maintenance" standard, it is permissible for a trustee to distribute funds to be used to support the beneficiary's family living with him at the time of the distribution request. The Trustee should consider things like whether the child is already showing signs of talent artistically (especially since her father has talent)? How reasonable is the tuition amount relative to what is to be received? Does the family value the arts? Is there any other guidance within the trust document? It would also be advisable for the Trustee to consider the other resources available for the beneficiary's support. Leading commentaries on trusts state that "where a trust is created for the support of a married man, the inference is that he is entitled to receive enough to support his wife and minor children also."

See Scott, The Law Of Trusts, §128.4 (4th ed., 1988).

Unascertainable Standards

Unascertainable Standards are commonly used where the grantor wants to allow a trustee broader discretion and provide for a beneficiary's needs that are "less standard."

1. ***Comfort*** – a court will typically give the needs, desires and habits of a beneficiary significant weight, but, not allowing them to justify indulgence of every whim of the beneficiary. Trustees typically look to a beneficiary's standard of living while the grantor is alive. *See* Restatement (Third) of Trusts §50, comment (d)(3) (2003). *See also,* Lord v. Roberts, 153 A. 1, 4, 84 N.H. 517 (1931) and Zumbro v. Zumbro, 69 Pa. Super 600, 603 (1918).
2. ***Benefit*** – typically measured in light of the circumstances of the beneficiary as a whole weighed against the cost to the trust. *See* Cox v. Sellers, 33 A.2d 548 (Del. Supr. 1943).
3. ***Best Interest, Welfare and Happiness*** – used when intend a broader purpose than support such as starting a business, luxury items. This can include peace of mind items as well. *See* Wiedenmanyer v. Johnson, 254 A.2d 534, aff'd, 259 A.2d 465 (1969) and Restatement (Third) of Trusts §50, comment d(3) (2003).
4. ***Happiness*** – is an expansive standard and suggests that the trustee act generously and without relatively objective limitations per Restatement (Third) of Trusts §50, comment d(3) (2003).
5. ***Necessary, Necessities , Need and Emergency***
6. ***Standard of Living*** – refers specifically to the beneficiary's standard of living, but, should always reference the applicable period of time to ensure that it is effective in the manner contemplated by the grantor.

Case Study #2

A grantor established a trust for the benefit of his wife. Under its terms, the Trustee has authority to make distributions for her "comfort." Wife makes three distribution requests: (1) to give her neighbor a trip to Australia as a Christmas gift, (2) to allow her to purchase a new bed as hers is very old and uncomfortable, and (3) to place monies in her savings account so that she can be certain that her estate will have sufficient fund to provide for one of her children who is not provided for in this trust. What should the Trustee do?

1. *Generally speaking, absent specific allowance in the trust document, a trustee would <u>not</u> interpret comfort to include gifts, especially to third party, non-family members. A support standard, on the contrary, typically would allow gifting to family members.*

2. *Something that will satisfy the needs of a beneficiary by bringing ease or contentment, such as a bed, would definitely fit within the comfort standard.*

3. *Augmenting a beneficiary's estate is not permissible under the comfort standard, especially where the goal is to provide resources for an individual who is not a beneficiary of the existing trust.*

Absolute Discretion

This type of discretion is generally defined as "unlimited discretion" and affords a trustee the greatest flexibility for dealing with future circumstances. In most states, this standard will allow a trustee to decant the assets of an existing trust into a new trust; therefore, a grantor should be comfortable that the trustee fully understands his or her intent before including this type of standard.

- It allows for the greatest ***flexibility in exercising discretion*** and allows trustee to do so with a reduced concern regarding potential beneficiary lawsuits.

- The trustee may make distributions from the trust or withhold distributions from the beneficiary as it deems appropriate so long as its actions are not ***"arbitrary and capricious."*** *See* In re Ledyard Estate, 21 N.Y. S2d 860 (1939).

- This standard is essentially ensuring that a trustee is acting consistently and not in a random manner when considering similar transactions.

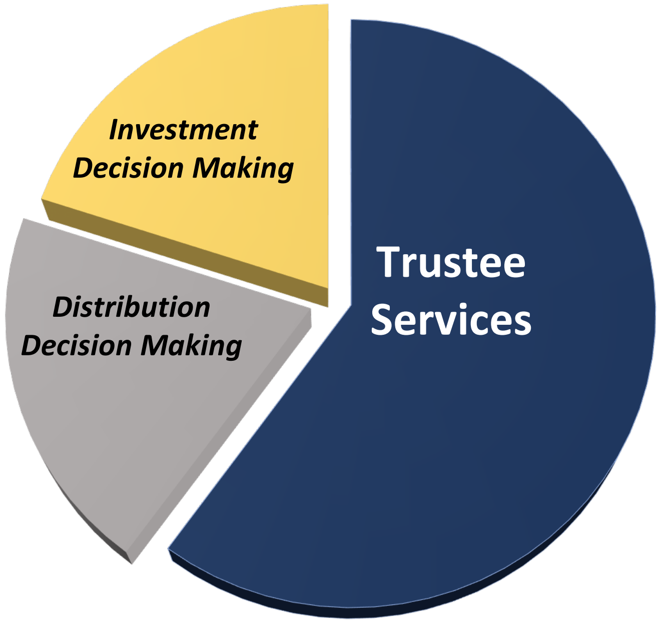
- The trustee is still subject to the grantor's intent, as determined by the totality of the terms and circumstances of the trust.

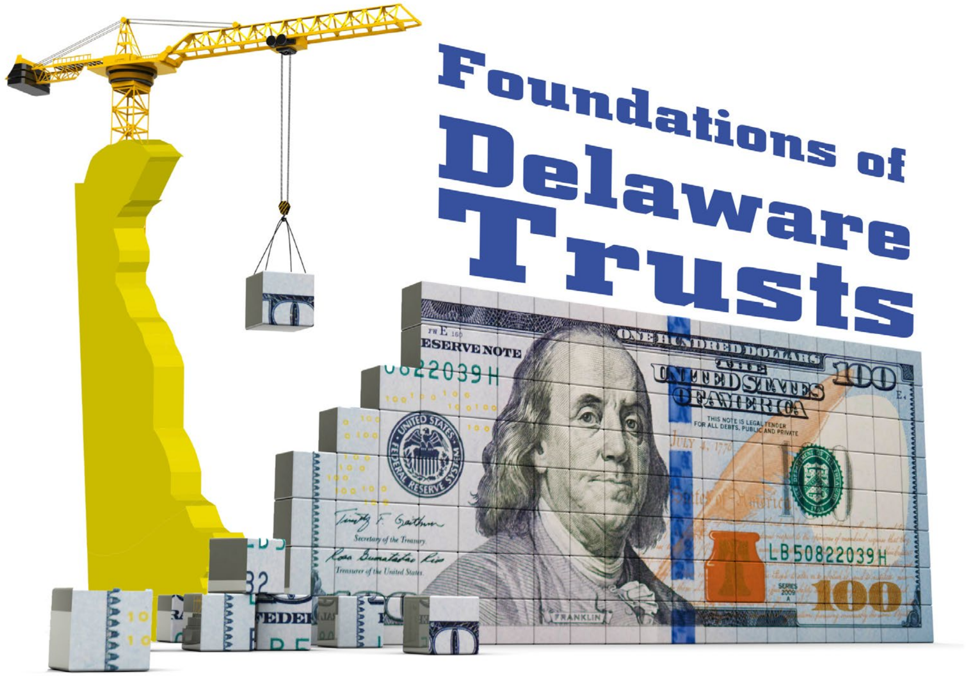
Directed Distributions

Where a grantor has unique or subjective provisions within the trust instrument, or unique family circumstances, it is often advisable to utilize a direction adviser, such as a ***Distribution Adviser or Committee***, to direct the trustee with regard to distributions.

- The Trustee has no discretionary authority in this circumstance and in some states like Delaware, no duty to review or monitor the actions of the direction adviser (no second guessing). *See* 12 Del. C. §§3313 and 3313A.
- This standard is particularly useful where:

1. There is a beneficiary with substance abuse concerns;
2. The grantor has a unique value system that he or she wants to enforce;
3. The grantor is reluctant to give a corporate trustee the power to determine when his or her family is in need and prefers to keep that authority with someone close to the family; or
4. The grantor wants to allow a particularly liberal or conservative distribution standard that a corporate trustee would not be comfortable interpreting.





<u>Effectively Application:</u>

Communicating Grantor’s Intent and Assessing Beneficiary Needs

Additional Methods of Confirming the Grantor’s Intent

In addition to the use of the standard discretionary terms in a trust’s dispositive language, a grantor may choose to provide further guidance to a trustee with discretionary authority through the use of:

- ***Definitions:*** Where a grantor is not entirely comfortable with the standard interpretation of a particular discretionary term, it is always possible to re-define or further define the term within the trust document. It is important to check the definitions section of the trust document.
- ***General Purpose Statement***: A grantor can also elect to include within the trust document a general statement of: (1) the purposes of the trust, (2) the factors which the grantor would like the trustee to consider when making a discretionary distribution decision, (3) an illustration to assist the trustee with decision making, or (4) a statement of the grantor’s overall value system.
- ***Statement of the Hierarchy of Distribution***: A grantor can also express his desire to prioritize the interests of certain beneficiaries within the trust by providing a hierarchy with regard to distributions.
- **Distribution Advisor or Committee**: Under the laws of some states, a grantor can bifurcate trustee duties and appoint a distribution adviser or distribution committee to specifically direct the trustee with regard to distributions.
- **Letter of Wishes**: A grantor may wish to express his intent more clearly in a Letter of Wishes, which is a separate non-binding document wherein the grantor can more freely state his intentions when creating the trust. This is a separate document and can help give a trustee a clearer image of the grantor’s specific goals.

****Keep in mind that a trustee is required to consider the trust document as a whole when determining the grantor’s intent, as well as the circumstances surrounding the establishment of the trust.***

Assessing Beneficiary Needs and Resources

- Requires a trustee to assess other resources available to meet a beneficiary's needs prior to making a determination with regard to distribution request. This often allows a trustee to preserve trust assets for the use of those beneficiaries who are most in need.
- The Restatement (Third) of Trusts §50, comment e, states that absent specific language in the trust document to the contrary, a trustee ***does have the discretion to consider other resources***, which is a movement away from a prior common law default rule which assumed that a trustee should <u>not</u> consider other resources unless the trust document required the same.
    - *"[T]he presumption is that the trustee is to take the beneficiary's other resources into account in determining whether and in what amounts distributions are to be made, except insofar as, in the trustee's judgment, the settlor's intended treatment of the beneficiary or the purposes of the trust will in some respect be better accomplished by not doing so."*
- In addition to the beneficiary's needs, a grantor may also <u>include language in the trust</u> document which requires the trustee to consider:
    1. The beneficiary's spouse's financial resources; and
    2. The beneficiary's potential resources or earning capacity and employment status.

Evidence of a Beneficiary’s Other Resources

- The trust document should be reviewed as a whole to determine whether or not the grantor intended for the trustee to ignore a beneficiary’s other resources or not.
- Terms such as “may be necessary” within the distribution language may cause a court to require a review of resources.
- When analyzing a beneficiary’s other resources, your should review items such as:

1. *Tax returns* - to determine the beneficiary’s regular income stream.
2. *Financial statements* - to determine what assets are already available to the beneficiary as well as what liabilities may be due and owing.
3. ***Budgets*** – to determine the beneficiary’s current rate of spending and on-going obligations as taken against his or her regular income stream.

- Which documents are considered, is dependent upon the particulars of the trust document and the overall relationship of the beneficiaries to the trust.

Consideration of Other Resources

Typically, where the trust does not expressly require that the trustee consider other assets, a trustee may still choose to analyze the relationship of the grantor and the beneficiary at the time the trust was created, as well as the extent to which the grantor had been attending to the beneficiary's needs. *See* President, Directors, Etc. v. Delaware Trust Co., 95 A.2d 45 (Del. Ch. 1953) and Arcaro v. Girard Bank, WL 21873 (Del. Ch., Dec. 12, 1984).

Some considerations that a trustee might consider in cases where there is no requirement that the trustee consider other resources are:

1. Significant ***changes in distribution request patterns***.
2. If there has been in increase in the frequency of distribution requests from a particular beneficiary, (a) has there been a ***significant life event*** that they are adjusting for, or (b) is this pattern of distribution anticipated to continue and what affect will that have on the value of the trust?
3. What ***trust resources are available overall***? Has the trust value diminished or will there be minimal cash available for distribution for a period of time?
4. Is there ***another way to meet the beneficiary's request*** that might ultimately benefit the beneficiary more, such as a loan where there is a reasonable expectation that the beneficiary will recover the funds and is experiencing only a temporary monetary need?
5. What ***relationship*** did the grantor have with the beneficiary prior to the creation of the trust? Is this just a continuation of that relationship?
6. What has the ***trustee approved previously***?
7. What have prior trustees approved?
8. What other demands are anticipated on the trust fund?

Standard of Living Considerations

Generally, the manner of living enjoyed by the beneficiary at the time of the grantor's death or at the time that the irrevocable trust is created, with adjustments for inflation or increased needs of the beneficiary. *See* Restatement (Third) of Trusts §50, comment (d)(2)(2003).

- A ***baseline*** should be established by the trustee as soon as possible by making a list of the beneficiary's current level of consumption with regard to items such as:

1. Motor vehicles currently owned and how frequently they are replaced
2. Homes currently owned, length o time spent in each, furnishings, etc.
3. Vacations taken, method of transportations, locations, frequency, costs, etc.
4. Entertainment enjoyed, frequency of guests, costs for events, season tickets owned
5. Personal items owned
6. Hobbies
7. Education




Case Study #3

The grantor's daughter has requested a distribution to pay for litigation expenses related to a lawsuit that she has initiated against her neighbor for encroaching on her property. The attorney has indicated that there is a strong likelihood that she will win the lawsuit and the anticipated proceeds from the lawsuit exceed the amount of the distribution request. The trust does not have a requirement that the trustee consider other resources.

Two years later, after having successfully won the lawsuit, the grantor's daughter requests an additional series of distributions "for home furnishings." The trustee has approved $350,000 worth of improvements, but, is being asked for another $400,000.

- If the grantor's daughter has a significant chance of recovering the funds that she is requesting, it would be more beneficial for the Trustee to loan her the funds so that at the end of the litigation she can payoff the loan and the funds will remain assets of the Trust, sheltered for tax and creditors purposes.
- As to the second distribution request, it is important to first assess what the beneficiary's standard of living was at the time of the trust's creation to determine whether these requests are within that standard. When distributions of this type come up, it is important for the Trustee to understand the beneficiary's overall plan before making the first distribution so that both the Trustee and the beneficiary are able to set expectations appropriately.

Behind the Scenes: Analyzing Distribution Requests:

The Process and Standards of Review

The Distribution Processes: Generally

- Trust Companies typically have an extensive distribution procedure, the complexity of which is typically dependent upon the size of the company.
  - A smaller company will typically be more nimble in its decision-making, while a larger company will need to have additional procedures to ensure consistency amongst the larger team.
  - No matter what the size of the company, there are certain key components to distribution review***:***
    1. Review of the ***written request*** from the beneficiary
    2. ***Review of the relevant trust document and any ancillary documents*** for a determination of whether the distribution being requested is (a) made by the proper person, (b) for a reason provided for in the trust, and (c) will require additional documentation/information as to the beneficiary's other resources, standard of living, etc.
    3. Review of the ***distribution history*** of the trust
    4. Review of the ***trust's current holdings and value*** to determine (a) the portion of the trust which is being requested and (b) the availability of funds to satisfy the distribution
    5. Review of ***the income/estate/gift tax and estate planning consequences*** of the requested distribution
    6. A ***recommendation*** made by the primary administrator of the account
    7. A review of the recommendation and ***determination by a principal*** of the company
    8. Communication with the beneficiary and any relevant advisers or co-trustees and movement of funds

TYPICAL DISTRIBUTION DECISION-MAKING BY A TRUSTEE

STEP ONE:
Receipt of request

STEP TWO:
Review of trust and related documents

Includes a review of the trust document, letter of wishes, etc. to determine what other information will be needed and whether the requested distribution fits within the trustee's discretion.

STEP THREE:
Information gathering

Includes (1) communication with the beneficiary for clarifications or to request additional information, (2) communication with any advisers, (3) review of prior distribution history and the needs of other beneficiaries, and (4) determination of the availability of funds.

STEP FOUR:
Review and Recommendation

Includes a full review of the income/estate /gift tax consequences of the distribution as well as the consistency of the same with the overall trust objectives. This information is then provided to a decision maker or team, with a recommendation from the reviewer.

STEP FIVE:
Approval/Declination of request

The decision maker or team reviews the information and determines whether or not the distribution is appropriate. The same is communicated to the beneficiary and, if appropriate, the funds are transferred.*

* With standing requests, the decision is reviewed periodically to ensure that the amount granted remains relevant.

Judicial Review Standards

- Unless there is evidence of misrepresentation, bad faith, improper motive, failure to exercise judgment or abuse of discretion, a court will not interfere with a trustee's decisions to distribute or withhold trusts funds.
- The Restatement (Third) of Trusts §50 permits judicial review only to prevent misrepresentation or abuse of discretion by the trustee.
- Where there is such a claim, a court will review the reasonableness

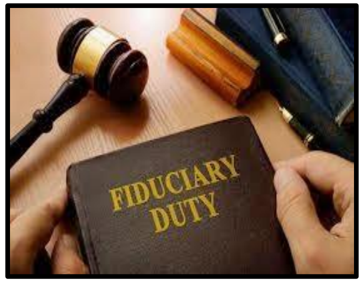
  of a ***trustee's decision-making process***:

  1. Are they following a consistent process when exercising discretion?
  2. Are they simply acting upon the request of someone else?

- Some states have enacted statutes which vary the court's standard of review from the default provisions of the Restatement (Third) of Trusts. For example, Title 12 of the Delaware Code, Section 3315 (a) creates a presumption that a trustee's exercise of discretion is proper absent proof that the trustee has abused it discretion within the meaning of §187 of the Restatement (Second) of Trusts, which provides:

"[w]here discretion is conferred upon the trustee with respect to the exercise of a power, its exercise is not subject to control by the court, except to prevent abuse by the trustee of his discretion." Comment i further provides that this means that a court will only intervene where the trustee acts dishonestly or from some improper motive.

Regulatory Review Standards



- Both national and state banks and trust companies are regulated .
- Regulators regularly publish guidance as to "best practices" in fiduciary trust administration which corporate fiduciaries regularly review and use to establish their own company polices and procedures.
- Regulatory review typically involves:
  - A review of the sufficiency of the company's procedures; and
  - A review of the company's compliance with their stated procedures.
- A regulator will <u>not</u> review the trustee's application of the relevant standards or the reasonableness of the trustee's exercise of discretion.

Foundations of Delaware Trusts

The balancing act…

Case Studies on Handling Difficult Distribution Requests

Case Study #4

The Grantor's son is considering starting a new business and has requested a distribution in the amount $500,000 to help fund the business. He is an entrepreneur with several successful businesses under his belt; however, this business is going to be in a newly developing tech area. His prior businesses center around the real estate business and construction.

This type of distribution will typically qualify under a "support and maintenance" standard. Some things that should be considered in making the decision include:

1. *What are the business' prospect of success?*
2. *What is the beneficiary's business plan? The trustee should request and study the business plan and make a distribution only based upon sound business principles*
3. *Would the beneficiary be better served by being given a loan from the trust? If so, it will be important to follow the formalities of a third-party loan and have the beneficiary sign a promissory note and require repayment at current interest rates.*

Case Study #5

The grantor's daughter has been living with an older man for the past seven years. Under Pennsylvania law, persons living together for that period of time are often considered married under the common law. He does not work and is thought by the rest of the family to be "in it for the money" and trying to "live the high life." The grantor's daughter makes a distribution request for the purposes of taking a vacation with her significant other. What should the trustee do?

1. *Under a "support and maintenance" standard, the trustee can make a distribution which is for the needs of the beneficiary and family members living with the beneficiary; however, this is typically used for those living with the beneficiary and for whom she has a duty to support.*

2. *Look to see if the trust document provides any direction with regard to how a spouse is defined. Does it include those living with the beneficiary and deemed married under common law principles or must they be legally married?*

Case Study #6

The grantor's granddaughter has requested a distribution to purchase her first home. She and her husband are both responsible persons and are buying a house in a nice middle-class neighborhood outside of New York City. Due to the location, the price of the house is $700,000. While she and her husband both work, they are both school teachers with modest salaries and cannot afford the house with out the distribution.

It is typically permissible to make a distribution to a beneficiary under a "support and maintenance" standard as well as under a "best interest," "welfare," or "happiness" standard. Absent the trust document expressly providing for this type of distribution, the Trustee should still consider the following:

1. *The type and size of the house relative to the beneficiary's manner of living.*
2. *The beneficiary's resources and ability to meet the house's ongoing expenses, maintenance, and real estate taxes.*
3. *Would it be better to have the trust purchase the home to ensure that all bills are paid and regular maintenance is performed.*

Case Study #7

The Grantor's youngest son has a substance abuse issue that is addressed in the trust document. Prior to making a distribution, the trust document requires the trustee to ensure that the beneficiary is not currently under the influence of alcohol or drugs. What should the trustee do prior to permitting a distribution to this beneficiary?

Prior to making a distribution under this type of provision, the Trustee should typically do the following:

1. *Inquire about the beneficiary's current situation with those more intimately familiar with the beneficiary and his substance abuse issues. In the best scenarios, this has already been contemplated by the trust document and the trustee is clearly permitted to rely on information provided by these third parties as the trustee will only have limited first-hand knowledge due to its limited exposure to the beneficiary*
2. *When the trust is drafted, it is important to make sure that any HIPPA obstacles can be addressed. Where the beneficiary in question is not a party to the trust document, it may be necessary to request that they sign documents allowing their doctors to communicate directly with the trustee.*
3. *Where possible, it is always best to pay any expense of the beneficiary directly to the provider to minimize the possibility that the beneficiary will have access to the funds.*

Case Study #8

John works for a local bike shop whose owner is thinking of retiring. He has always bene passionate about cycling and has worked at the shop since he was a teenager. The job has always paid him minimum wage as the owner has not been able to afford anything more. John's two older siblings are successful business people, his brother founded an internet based retail company and his sister a fashion house. Their mother's trustee has provided each with substantial distributions to start their businesses. John has asked for a similar distribution to buy the bike shop.

Prior to making a distribution, the Trustee should follow its process carefully as there is a significant risk in denying or granting this distribution due to the trustee's history of having made similar distributions to the other siblings. A trustee may be sued either by the other siblings or by John. Key to this analysis would be the review of:

1. *Any specific guidance provided within the trust document or any ancillary documents with regard to distributions of this type;*
2. *A review of this specific situation: What is the business' likelihood of success? Has John shown the drive and responsibility needed to run a successful business? What were the key factors used to analyze the prior distributions?*
3. *Emphasis should be placed on following all steps of the trustee's typical distribution process.*