<u>Initial Management Procedures of a Trust</u>

In starting any organization certain steps must always be accomplished before actual operations can efficiently begin. Some person has to be given authority to accomplish business. Accounts have to be opened with creditors, depositaries and other related business organizations. Forms have to be prepared; letterheads have to be ordered; and an accounting system must be started. Although trusts, once they are initially begun, operate under normal business practices associated with individuals, because they are fictional organizations (that is, not natural persons) they must use special procedures to accomplish these initial steps.

<u>Bank Accounts</u> - Trusts may open checking accounts or savings accounts in banks usually without too many problems. However, banks are generally over-cautious in allowing trusts to open bank accounts. Bank officers and employees have been indoctrinated with procedures that were developed during the Seventeenth Century and have not varied much since. They usually desire a copy of the trust instrument which created the trust before they will authorize a new checking account for a trust. They usually attempt to photostat