PRIVATE TRUST
MANAGEMENT GROUP

2023 FEE SCHEDULE

TRUST AND PROBATE ADMINISTRATION

Probate

California Probate Code section 10810 sets the maximum statutory fees that attorneys, executors or administrators can charge for services rendered to an estate in probate. Higher fees can be ordered by a court for more complicated cases. The fees are four percent of the first $100,000 of the estate, three percent of the next $100,000, two percent of the next $800,000, one percent of the next $9,000,000, and one-half percent of the next $15,000,000. For estates larger than $25,000,000, the court will determine the fee for the amount that is greater than $25,000,000.

The fees listed above are the California statutory fees used to compensate attorneys and executors in probate cases for various sizes of estates. If both the attorney and the executor receive a fee, the amount paid will be double that shown above. The value of the estate is determined, in general, by the inventory for the estate. (If an accounting of the estate has been waived, the total value of the estate for attorney's fees purposes is the inventory, plus gains on sales, minus losses on sales.) Debts are not included in determining attorney's fees. If a house is appraised at $1,000,000, for example, and it has a mortgage of $800,000, it is still considered a $1,000,000 asset for the purpose of calculating attorney's or executor's fees. In probates that are complicated by lawsuits or tax problems, or if unusual or extraordinary effort is required in carrying out some aspect of administration, the attorney and executor can ask the judge to approve fees that are higher than those set by state law. These are called "extraordinary" fees.

Accordingly, all our fees must be submitted to and approved by the court in advance. All heirs, beneficiaries and other interested parties will have an adequate opportunity to be heard by the court.

Trust Administration

Most trusts are designed to avoid probate and be administered privately by the trustee(s) selected by the persons who established the trust. Unless otherwise agreed in writing, trustees are limited to a reasonable fee. In the case of corporate and professional fiduciaries, the fees they charge will be determined either by their published fee schedule at the time of administration or their ordinary and customary fees. This does not mean that there is no limit to what a trustee can charge. Far from it. California law is clear that in all cases, a trustee's compensation must be "reasonable" under all the circumstances. Trustees are required by law to render regular accountings to the beneficiaries and to disclose the compensation they have taken. Any beneficiary has the right to object to the reasonableness of the compensation and ask a judge to review it.

Two Basic Types of Trust

There are many types of trusts and each of them make different demands on trustees. From a trustee's perspective, however, the key distinction is whether a trust will be distributed after death (much like a will) or whether a trust is intended to be administered over a period of years. The latter situation occurs most often where there are minor children, special needs beneficiaries, financially irresponsible



beneficiaries or other unique circumstances. Because the trustee's duties are different, the fees vary accordingly.

Distributing Trusts

As noted above, most trusts are designed to distribute all the assets of the trust to the named beneficiaries as soon as possible following the death of the person(s) who created the trust. In our experience, it takes a minimum of 18-24 months to complete the distribution and final administration of this kind of trust. Our typical fee is 2% of the gross estate. Fees on estates over $3.0 million are calculated on a sliding scale.

Ongoing Trust

Many trusts are designed to operate over the long term. This situation normally arises where the persons who created the trust want a trustee to hold, manage and invest all or a portion of the trust estate until a beneficiary reaches a certain age. Sometimes the distribution of these funds is broken up over a period of years. In other cases involving, for example, disabled persons whose eligibility for public benefits must be preserved, the trust will last the lifetime of the beneficiary. The same often occurs with persons who are financially irresponsible, have problematic marriages or are inclined to substance abuse. In these cases, the trustee will be managing the trust over a very long term. Our fees in these cases are calculated on a sliding scale but average approximately 1% of the gross value of estates under $10 million. Fees on larger estates are available on request and will be determined by the overall size and complexity of the estate.

Extraordinary Fees

The fees discussed above include all normal administration of the estate including the filing of final tax returns and the preparation of the final accounting. Excluded, however, are fees charged by tax professionals, attorney fees, management of real estate, investment management and management of businesses. Also excluded are any fiduciary services rendered in connection with a related or ancillary probate proceeding that may be necessary. As discussed above, probate fees are determined by the probate court after notice to all parties, heirs and beneficiaries. All compensation will be fully disclosed in any interim or final accounting.

Other fees and services

Services not subject to one of the formulas above, are normally charged at $350 per hour for senior professionals and $175 per hour for paraprofessionals. All out of pocket expenses and costs advanced are charged in addition to our professional fees. Depending on the size and complexity of an estate, some matters may be subject to a minimum fee.

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TRUSTEE FEE SCHEDULE

Non-Distributing Trusts

Sample Sliding Scale Calculation

$10 Million Estate

Tranche	Assets	Annual Fee	Amount
The first	$1,000,000	1.25%	$12,500
The next	$1,000,000	1.15%	$11,500
The next	$2,000,000	1.00%	$20,000
The next	$1,000,000	0.85%	$ 8,500
The next	$5,000,000	0.75%	$37,500
Total Assets:	$10,000,000	0.90%	$90,000
Assets over $10,000,000	Fees available upon request.		