

THE  TRUST



**Consumer Resources LLC | DocsOut.ai LLC**

# THE                      TRUST

## Table of Contents

<b>Article One</b>	<b>Establishing Our Trust.....</b>	<b>1-1</b>
Section 1.01	Identifying Our Trust .....	1-1
Section 1.02	Reliance by Third Parties.....	1-1
Section 1.03	Transferring Property to Our Trust.....	1-2
Section 1.04	Powers Reserved by Us as Grantors .....	1-3
Section 1.05	Grantor Trust Status.....	1-4
<b>Article Two</b>	<b>Family Information .....</b>	<b>2-1</b>
<b>Article Three</b>	<b>Trustee Succession Provisions .....</b>	<b>3-1</b>
Section 3.01	Initial Trustee .....	3-1
Section 3.02	Successor Trustee.....	3-1
Section 3.03	Resignation of a Trustee .....	3-1
Section 3.04	Removal and Replacement by the Grantors.....	3-1
Section 3.05	Removal and Replacement after the Death of a Grantor .....	3-1
Section 3.06	Removal and Replacement after the Death of Both Grantors.....	3-1
Section 3.07	Notice of Removal and Appointment .....	3-2
Section 3.08	Appointment of a Co-Trustee .....	3-2
Section 3.09	Corporate Fiduciaries.....	3-2
Section 3.10	Incapacity of a Trustee.....	3-2
Section 3.11	Rights of Successor Trustees .....	3-2
<b>Article Four</b>	<b>Administration of Our Trust during a Grantor’s Incapacity.....</b>	<b>4-1</b>
Section 4.01	Definition of a Grantor’s Incapacity.....	4-1
Section 4.02	Determination of a Grantor’s Incapacity .....	4-1
Section 4.03	Trust Distributions during a Grantor’s Incapacity .....	4-2
<b>Article Five</b>	<b>Administration of Our Trust upon the Death of a Grantor .....</b>	<b>5-1</b>
Section 5.01	Surviving Grantor’s Trust Property and Deceased Grantor’s Trust Property .....	5-1
Section 5.02	Administrative Trust .....	5-1
Section 5.03	Payment of Expenses and Taxes.....	5-1
Section 5.04	Restrictions on Certain Payments from Retirement Plans.....	5-2
Section 5.05	Payment of Death Taxes .....	5-2
Section 5.06	Coordination with the Personal Representative .....	5-3
Section 5.07	Authority to Make Tax Elections.....	5-4

<b>Article Six</b>	<b>Disposition of Tangible Personal Property .....</b>	<b>6-1</b>
Section 6.01	Distribution of Tangible Personal Property by Memorandum.....	6-1
Section 6.02	Distribution of Remaining Tangible Personal Property.....	6-1
Section 6.03	Definition of Tangible Personal Property .....	6-1
Section 6.04	Incidental Expenses and Encumbrances .....	6-2
<b>Article Seven</b>	<b>The Survivor's Trust .....</b>	<b>7-1</b>
Section 7.01	Trustee of the Survivor's Trust.....	7-1
Section 7.02	The Surviving Grantor's Right to Amend .....	7-1
Section 7.03	Separate Share for Deceased Grantor's Trust Property .....	7-1
Section 7.04	Distribution of Income and Principal.....	7-1
Section 7.05	Administration following the Surviving Grantor's Death.....	7-2
<b>Article Eight</b>	<b>Distribution of Our Trust Assets .....</b>	<b>8-1</b>
Section 8.01	Distribution of Our Remaining Estate .....	8-1
Section 8.02	Grandchildren's Trust.....	8-3
Section 8.03	Guidelines for Discretionary Distributions.....	8-3
<b>Article Nine</b>	<b>Remote Contingent Distribution .....</b>	<b>9-1</b>
<b>Article Ten</b>	<b>Distributions to Underage and Incapacitated Beneficiaries .....</b>	<b>10-1</b>
<b>Article Eleven</b>	<b>Trust Administration .....</b>	<b>11-1</b>
Section 11.01	Distributions to Beneficiaries .....	11-1
Section 11.02	Beneficiary's Status .....	11-1
Section 11.03	Mandatory Payments of a Pecuniary Amount .....	11-1
Section 11.04	No Court Proceedings.....	11-2
Section 11.05	No Bond.....	11-2
Section 11.06	Exoneration of Our Trustee .....	11-2
Section 11.07	Limitations on Trustee Liability .....	11-2
Section 11.08	Trustee Compensation .....	11-3
Section 11.09	Employment of Professionals .....	11-3
Section 11.10	Determination of Principal and Income.....	11-3
Section 11.11	Trust Accounting .....	11-5
Section 11.12	Action of Trustees and Delegation of Trustee Authority.....	11-5
Section 11.13	Trustee May Disclaim or Release Any Power.....	11-6
Section 11.14	Trustee May Execute a Power of Attorney.....	11-6
Section 11.15	Additions to Separate Trusts.....	11-6
Section 11.16	Authority to Merge or Sever Trusts .....	11-6
Section 11.17	Authority to Terminate Trusts .....	11-7
Section 11.18	Merger of Corporate Fiduciary .....	11-7

Section 11.19	Funeral and Other Expenses of Beneficiary .....	11-7
Section 11.20	Generation-Skipping Transfer Tax Provisions .....	11-8
Section 11.21	Delay of Distribution .....	11-9

**Article Twelve                      Our Trustee’s Powers ..... 12-1**

Section 12.01	Introduction to Trustee’s Powers .....	12-1
Section 12.02	Execution of Documents by Our Trustee.....	12-1
Section 12.03	Investment Powers in General .....	12-1
Section 12.04	Banking Powers .....	12-2
Section 12.05	Business Powers.....	12-2
Section 12.06	Contract Powers .....	12-4
Section 12.07	Common Investments .....	12-4
Section 12.08	Environmental Powers .....	12-4
Section 12.09	Insurance Powers .....	12-5
Section 12.10	Loans and Borrowing Powers.....	12-6
Section 12.11	Nominee Powers .....	12-6
Section 12.12	Payment of Property Taxes and Expenses .....	12-6
Section 12.13	Purchase of Assets from and Loans to a Deceased Grantor’s Probate Estate .....	12-7
Section 12.14	Real Estate Powers.....	12-7
Section 12.15	Residences and Tangible Personal Property .....	12-7
Section 12.16	Digital Assets.....	12-8
Section 12.17	Retention and Abandonment of Trust Property .....	12-8
Section 12.18	Securities, Brokerage and Margin Powers.....	12-8
Section 12.19	Settlement Powers.....	12-9
Section 12.20	Subchapter S Corporation Stock Provisions .....	12-9
Section 12.21	No Distributions in Discharge of Certain Legal Obligations.....	12-12

**Article Thirteen                      General Provisions..... 13-1**

Section 13.01	Maximum Term for Trusts.....	13-1
Section 13.02	Spendthrift Provision .....	13-1
Section 13.03	Contest Provision .....	13-1
Section 13.04	Survivorship Presumption.....	13-1
Section 13.05	Divorce or Annulment .....	13-2
Section 13.06	Changing the Governing Law and Situs of Administration .....	13-2
Section 13.07	Definitions.....	13-2
Section 13.08	General Provisions and Rules of Construction .....	13-7

# THE \_\_\_\_\_ TRUST

## Article One Establishing Our Trust

The date of this trust is \_\_\_\_\_, 2021. The parties to this trust are **NAME OF CLIENT 1** and \_\_\_\_\_ (the *Grantors*) and \_\_\_\_\_ and \_\_\_\_\_ (collectively, our *Trustee*).

We intend to create a valid trust under the laws of Nevada and under the laws of any state in which any trust created under this trust document is administered. The terms of this trust prevail over any provision of Nevada law, except those provisions that are mandatory and may not be waived.

### Section 1.01 Identifying Our Trust

For convenience, our trust may be referred to as:

**“THE \_\_\_\_\_ TRUST dated \_\_\_\_\_, 2021.”**

To the extent practicable, for the purpose of transferring property to our trust or identifying our trust in any beneficiary or pay-on-death designation, our trust should be identified as:

**“ \_\_\_\_\_ and \_\_\_\_\_, Trustees of THE \_\_\_\_\_ TRUST dated \_\_\_\_\_, 2021, and any amendments thereto.”**

For all purposes concerning the identity of our trust or any property titled in or payable to our trust, any description referring to our trust will be effective if it reasonably identifies our trust and indicates that the trust property is held in a fiduciary capacity.

### Section 1.02 Reliance by Third Parties

Third parties may require documentation to verify the existence of this trust, or particular provisions of it, including the name of our Trustee or the powers held by our Trustee. To protect the confidentiality of this instrument, our Trustee may use an affidavit or a certification of trust that identifies our Trustee and sets forth the authority of our Trustee to transact business on behalf of our trust instead of providing a copy of this instrument. The affidavit or certification may include pertinent pages from this instrument, including title or signature pages.

A third party may rely upon an affidavit or certification of trust that is signed by our Trustee with respect to the representations contained in it. A third party relying upon an affidavit or certification of trust will be exonerated from any liability for actions the third party takes or does not take in reliance upon the representations contained in the affidavit or certification of trust.

A third party dealing with our Trustee will not be required to inquire into this trust's terms or the authority of our Trustee, or to see to the application of funds or other property received by our Trustee. Our Trustee's receipt of any money or property paid, transferred, or delivered to our Trustee will be a sufficient discharge to the third party from all liability in connection with its application. A written statement by our Trustee is conclusive evidence of our Trustee's authority. Third parties are not liable for any loss resulting from their reliance on a written statement by our Trustee asserting our Trustee's authority or seeking to effect a transfer of property to or from the trust.

### **Section 1.03 Transferring Property to Our Trust**

Any person or entity may transfer any property to our trust in any manner authorized by law.

#### **(a) Initial Funding of Our Trust**

By executing this instrument, we transfer, convey, and assign to our Trustee the trust property described in the attached schedules.

#### **(b) Acceptance by Our Trustee**

By executing this instrument, our Trustee accepts and agrees to hold the property transferred to the trust as trust property. All property transferred to our trust after the date of this trust must be acceptable to our Trustee. Our Trustee may refuse to accept any property. Our Trustee shall hold, administer, and dispose of all accepted trust property for our benefit and for the benefit of our beneficiaries, in accordance with the terms of this trust.

#### **(c) Community Property**

Any community property transferred to our trust, including the property's income and the proceeds from the property's sale or exchange, will retain its character as community property during our lives, to the same extent as if it had not been transferred to our trust.

#### **(d) Separate Property**

Separate property transferred to our trust will retain its character as separate property. Our separate property may be identified as the separate property of either of us on the attached schedules. The separate property of either of us, including the property's income and proceeds from the property's sale or exchange, will remain separate property. Each of us has the unrestricted right to remove all or any part of our separate property at any time.

An amount that is payable to our trust on a life insurance policy that is the separate property of either of us will retain its character as separate property.

#### **(e) Joint Property**

If joint tenancy property with right of survivorship is transferred to our trust, we will be considered to have severed the joint tenancy immediately before transferring the property, and no right of survivorship will exist with respect to this property.

**(f) Marital Property Agreement Controls**

If we have entered into or in the future enter into a marital property agreement, the terms of that agreement will control the characterization of property titled in the name of our trust. In the absence of a marital property agreement, property titled in the name of our trust will be governed by the terms of this trust.

**Section 1.04 Powers Reserved by Us as Grantors**

As Grantors, we retain the powers set forth in this Section in addition to any powers that we reserve in other provisions of this instrument.

**(a) Action on Behalf of Our Trust**

Whenever both of us are serving as Trustee, either or both of us may act for and conduct business on behalf of our trust without the consent of any other Trustee.

Whenever one of us is alive but not serving as Trustee, and the other is serving as Trustee, the one who is serving as Trustee may act for and conduct business on behalf of our trust without the consent of any other Trustee.

After one of us dies, the ability of the survivor of us, when serving as Trustee, to conduct business on behalf of us without the consent of any other Trustee is subject to the terms and conditions of our trust.

**(b) Amendment, Restatement, or Revocation**

Acting jointly, we may amend, restate, or revoke this instrument, in whole or in part, for any purpose. Acting jointly, we retain the absolute right to amend, restate, or revoke any term or provision of this trust in whole or in part. Each of us individually retains the right to revoke any term or provision of this trust in whole or in part as to each of our separate property.

Any amendment, restatement, or revocation must be made in writing and delivered to the then-serving Trustee.

**(c) Addition or Removal of Trust Property**

Either of us may add property to our trust. Both of us, acting jointly may remove any property from our trust. Each of us, acting alone, may remove our own separate property from our trust. Community property removed from our trust will retain its character as community property.

**(d) Control of Income and Principal Distributions**

We retain the right to control the distribution of income and principal from our trust. We may direct our Trustee to distribute as much of the net income and principal of the trust property as we consider advisable to us or to other persons or entities. Our Trustee may distribute the net income and principal to us or for our unrestricted use and benefit, even to the exhaustion of all

trust property. Any undistributed net income is to be added to the principal of our trust.

Unless otherwise directed, our Trustee shall distribute the net income from the community property to us at least quarterly and shall distribute the net income from a Grantor's separate property to that Grantor at least quarterly.

Our Trustee may also distribute principal of the community property for the unrestricted use of either or both of us and the principal of a Grantor's separate property for the unrestricted use and benefit of that Grantor, even to the exhaustion of all trust property. Any undistributed net income is to be added to the principal of our trust.

**(e) Approval of Investment Decisions**

We reserve the absolute right to review and change our Trustee's investment decisions as to the community property. Each of us reserves the absolute right to review and change our Trustee's investment decisions as to our respective separate property. But our Trustee is not required to seek our approval before making investment decisions.

**Section 1.05 Grantor Trust Status**

By reserving the broad rights and powers set forth in Section 1.04 of this Article, we intend to qualify our trust as a *Grantor Trust* under Internal Revenue Code Sections 671 to 677. This means that, for federal income tax purposes, each of us will be treated as the owner of one-half of all the community property held in our trust and as the owner of our respective separate property as if we held the property individually.

During any period that our trust is a Grantor Trust, the Taxpayer Identification Number of our trust will be either of our Social Security numbers, in accordance with Treasury Regulation Section 301.6109-1(a)(2).



## Article Two Family Information

\_\_\_\_\_ is referred to in this trust as *husband*, and \_\_\_\_\_ is referred to in this trust as *wife*. \_\_\_\_\_ and \_\_\_\_\_ have one child whose name is:

\_\_\_\_\_, born on \_\_\_\_\_.

All references in this agreement to *our children* are to these children and any children subsequently born to or adopted by us by legal proceeding. References to *our descendants* are to our children and their descendants.



## **Article Three**

### **Trustee Succession Provisions**

#### **Section 3.01 Initial Trustee**

We, the Grantors, have retained the right to act as our own Trustee so long as we are physically and mentally capable.

#### **Section 3.02 Successor Trustee**

Upon both of our deaths or incapacity, \_\_\_\_\_ shall serve as successor Trustee, replacing any then serving Trustee. If \_\_\_\_\_ is unable or unwilling to serve, then \_\_\_\_\_ shall serve as successor Trustee. If \_\_\_\_\_ is unable or unwilling to serve, then \_\_\_\_\_ shall serve as co-successor Trustees.

#### **Section 3.03 Resignation of a Trustee**

A Trustee may resign by giving written notice to either of us. If we are both incapacitated or deceased, a resigning Trustee shall give written notice to the trust's Income Beneficiaries and any other then-serving Trustee.

#### **Section 3.04 Removal and Replacement by the Grantors**

By joint agreement, we, the Grantors, may remove any Trustee at any time, with or without cause. If a Trustee is removed, resigns, or cannot continue to serve for any reason, either or both of us may serve as Trustee, we may appoint a Trustee to serve with either or both of us, or we may appoint a successor Trustee.

#### **Section 3.05 Removal and Replacement after the Death of a Grantor**

After the death of the first of us to die, the Surviving Grantor may appoint a Co-Trustee or remove and appoint any Trustee at any time, with or without cause.

#### **Section 3.06 Removal and Replacement after the Death of Both Grantors**

If the office of Trustee of a trust created under this agreement is vacant and no designated Trustee is able and willing to act, a majority of the income beneficiaries of the trust shall appoint an individual or corporate fiduciary as Successor Trustee.

Any beneficiary may petition a court of competent jurisdiction to appoint a Successor Trustee to fill any vacancy remaining unfilled after a period of 30 days. By making such appointment, such court shall not thereby acquire any jurisdiction over the trust, except to the extent necessary for making the appointment.

If a beneficiary is a minor or is incapacitated, the parent or legal representative of the beneficiary may act on behalf of the beneficiary.

### **Section 3.07 Notice of Removal and Appointment**

Notice of removal must be in writing and delivered to the Trustee being removed, along with any other then-serving Trustees. The removal notice will become effective in accordance with its provisions.

Notice of appointment must be in writing and delivered to the successor Trustee and any other then-serving Trustees. The appointment will become effective at the time of acceptance by the successor Trustee. A copy of the notice may be attached to this instrument.

### **Section 3.08 Appointment of a Co-Trustee**

Any individual Trustee may appoint an individual or a corporate fiduciary as a Co-Trustee. This Co-Trustee will serve only as long as the appointing Trustee serves, or as long as the last to serve if more than one Trustee appointed the Co-Trustee. This Co-Trustee will not become a successor Trustee upon the death, resignation, or incapacity of the appointing Trustee, unless appointed under the terms of this instrument. Although this Co-Trustee may exercise all the powers of the appointing Trustee, the combined powers of this Co-Trustee and the appointing Trustee may not exceed the powers of the appointing Trustee alone. The Trustee appointing a Co-Trustee may revoke the appointment at any time, with or without cause.

### **Section 3.09 Corporate Fiduciaries**

Any corporate fiduciary serving under this instrument as a Trustee must be a bank, trust company, or public charity that is qualified to act as a fiduciary under applicable federal or state law and that is not related or subordinate to any beneficiary within the meaning of Internal Revenue Code Section 672(c).

### **Section 3.10 Incapacity of a Trustee**

If any individual Trustee becomes incapacitated, the incapacitated Trustee need not resign as Trustee. For Trustees other than one of us, a written declaration of incapacity by the Co-Trustee or, if none, by the party designated to succeed the incapacitated Trustee if made in good faith and if supported by a written opinion of incapacity by a physician who has examined the incapacitated Trustee will terminate the trusteeship. If the Trustee designated in the written declaration refuses to sign the necessary medical releases needed to obtain the physician's written opinion of incapacity within 10 days of a request to do so, the trusteeship will be terminated.

### **Section 3.11 Rights of Successor Trustees**

Each successor Trustee serving under this instrument, whether individual or corporate, will have all of the title, rights, powers and privileges granted to our initial Trustees named under this instrument. In addition, each successor Trustee will be subject to all of the restrictions imposed on and to all discretionary and ministerial obligations and duties given to the original Trustees.

## **Article Four**

### **Administration of Our Trust during a Grantor's Incapacity**

#### **Section 4.01 Definition of a Grantor's Incapacity**

A Grantor will be considered incapacitated during any time when the Grantor is unable to effectively manage his or her property or financial affairs because of age, illness, mental disorder, dependence on prescription medication or other substances, or any other cause.

#### **Section 4.02 Determination of a Grantor's Incapacity**

For purposes of this instrument, a Grantor is incapacitated if determined to be so under any one of the following Subsections.

##### **(a) Determination by Physicians**

A Grantor will be considered incapacitated if two licensed physicians have determined the Grantor's then-existing circumstances fall within the definition of incapacity as provided in Section 4.01.

A Grantor will be considered restored to capacity if the Grantor's personal or attending physician signs a written opinion that the Grantor can effectively manage his or her property and financial affairs.

##### **(b) Court Determination**

A Grantor will be considered incapacitated if a court of competent jurisdiction determines that the Grantor is legally incapacitated, incompetent, or otherwise unable to effectively manage his or her property or financial affairs.

##### **(c) Detention, Disappearance, or Absence**

A Grantor will be considered incapacitated if the Grantor has an unexplained disappearance or absence for more than 30 days or is detained under duress. A Grantor's disappearance, absence, or detention under duress may be established by an affidavit of our Trustee, or, if no Trustee is then serving under this trust, by the affidavit of any beneficiary of any trust created under this instrument. The affidavit must describe the circumstances of the Grantor's disappearance, absence, or detention under duress. A third party dealing with our Trustee in good faith may always rely on the representations contained in the affidavit.

A Grantor will be considered restored to capacity upon written notice by the missing or detained Grantor to the successor Trustee that he or she can manage his or her property and financial affairs.

### **Section 4.03 Trust Distributions during a Grantor's Incapacity**

For purposes of this Article, *incapacitated Grantor's trust property* refers to the net income and principal of the incapacitated Grantor's separate property and the net income and principal of the incapacitated Grantor's share of the community property, during any period when a Grantor is incapacitated.

Our Trustee shall administer the incapacitated Grantor's trust property as follows.

#### **(a) Distributions for the Incapacitated Grantor's Benefit**

Our Trustee shall regularly and conscientiously make appropriate distributions of income and principal for the benefit of the incapacitated Grantor under the circumstances existing at the time each distribution is made.

Appropriate distributions under this Subsection include the payment of any of the incapacitated Grantor's enforceable legal obligations and premiums for insurance policies owned by the incapacitated Grantor or by our trust, including life, medical, disability, property and casualty, errors and omissions, and long-term health care policies.

Our Trustee is authorized to honor pledges and continue to make gifts to charitable organizations that the incapacitated Grantor has regularly supported in the customarily given amounts.

The examples included in this Subsection are for purposes of illustration only and are not intended to limit the authority of our Trustee to make any distribution for the incapacitated Grantor's benefit that our Trustee determines appropriate.

#### **(b) Manner of Making Distributions**

Our Trustee may make distributions for the incapacitated Grantor's benefit in any one or more of the following ways:

to the incapacitated Grantor, but only to the extent he or she is able to manage these distributions;

to other persons and entities for the incapacitated Grantor's use and benefit;

to an agent or attorney in fact authorized to act for the incapacitated Grantor under a legally valid durable power of attorney executed by the incapacitated Grantor before his or her incapacity; and

to the incapacitated Grantor's guardian or conservator who has assumed responsibility for the incapacitated Grantor under any court order, decree, or judgment issued by a court of competent jurisdiction.

**(c) Distributions for the Other Grantor's Benefit and for the Benefit of Our Dependents**

Our Trustee may distribute as much of the net income and principal of the incapacitated Grantor's trust as our Trustee considers necessary for the health, education, maintenance and support of the other Grantor.

Our Trustee may also distribute as much of the net income and principal of the incapacitated Grantor's trust as our Trustee considers necessary for the health, education, maintenance and support of other persons who our Trustee determines are dependent on the incapacitated Grantor for support.

**(d) Guidance for Our Trustee Regarding Distributions**

When making distributions under Subsections (a) and (c), our Trustee shall give consideration first to the incapacitated Grantor's needs and the needs of the other Grantor, and then to the needs of those persons dependent on the incapacitated Grantor.

When making distributions under Subsection (c), we request that our Trustee, in its sole and absolute discretion, consider other income and resources available to the beneficiaries. Our Trustee may make unequal distributions, distributions to some but not all beneficiaries, or no distributions.

A distribution made to a beneficiary under this Section will not be considered an advancement and will not be charged against the share of the beneficiary that may be distributable under any other provision of this trust.

BREAKING BOUNDARIES: UNRIVALED SOLUTIONS  
BY BUSINESS & TAX PRACTITIONERS

## **Article Five**

### **Administration of Our Trust upon the Death of a Grantor**

#### **Section 5.01 Surviving Grantor's Trust Property and Deceased Grantor's Trust Property**

After the first of us dies, the surviving Grantor's interest in any community property of our trust and the surviving Grantor's separate trust property will be referred to as the *surviving Grantor's trust property*. The surviving Grantor's trust property will be referred to as the Survivor's Trust, and our Trustees shall administer the Survivor's Trust as provided in Article Seven.

The deceased Grantor's interest in any community property of our trust and the deceased Grantor's separate trust property will be referred to as the *deceased Grantor's trust property*.

#### **Section 5.02 Administrative Trust**

Upon a Grantor's death, our trust will become irrevocable as it pertains to the administration and distribution of the deceased Grantor's trust property. Our Trustee may need to apply for a separate Taxpayer Identification Number for the deceased Grantor's trust property.

Before the distribution of the deceased Grantor's trust property as provided in this trust, the deceased Grantor's trust property will be referred to as the *administrative trust* but, may continue to be known as **THE \_\_\_\_\_ TRUST** during the administration period. The administrative trust will exist for the period reasonably necessary to complete the administrative tasks set forth in this Article.

#### **Section 5.03 Payment of Expenses and Taxes**

Our Trustee may pay from the deceased Grantor's trust property:

- expenses of the deceased Grantor's last illness, funeral, and burial or cremation, including expenses of memorials and memorial services;

- legally enforceable claims against the deceased Grantor or the deceased Grantor's estate;

- expenses of administering the trust and the deceased Grantor's estate; and

- court-ordered allowances for those dependent upon the deceased Grantor.

These payments are discretionary with our Trustee. Our Trustee may make decisions on these payments without regard to any limitation on payment of the expenses and may make payments without any court's approval. No third party may enforce any claim or right to payment against the trust by virtue of this discretionary authority.

If payment would decrease the federal estate tax charitable deduction available to the deceased Grantor's estate, our Trustee may not pay any administrative expenses from assets passing to an organization that qualifies for the federal estate tax charitable deduction.

**THE \_\_\_\_\_ TRUST**



If payment would decrease the federal estate tax marital deduction available to the deceased Grantor's estate or violate the provisions of Treasury Regulation Section 20.2056(b)-4(d), our Trustee may not pay any administrative expenses from the net income of property qualifying for the federal estate tax marital deduction.

Our Trustee shall pay death taxes out of the trust property's principal, as provided in Section 5.05. But if a probate estate is opened within six months after the date of the deceased Grantor's death, the deceased Grantor's Personal Representative shall pay any outstanding claims and expenses as authorized by the Personal Representative, as well as any death taxes from the deceased Grantor's probate estate to the extent that the cash and readily marketable assets in the deceased Grantor's probate estate are sufficient.

#### **Section 5.04 Restrictions on Certain Payments from Retirement Plans**

The term *designation date* means September 30 of the calendar year following the year of the deceased Grantor's death, or another date as established by Treasury Regulations or other tax law authority as the final date for determining whether this trust meets the requirements for treatment of the trust's oldest beneficiary as if the beneficiary was named individually as beneficiary of any qualified retirement plan payable to this trust.

Notwithstanding any other provision of this trust or state law to the contrary, our Trustee may not distribute any qualified retirement benefit payable to our trust or any trust created under this trust to or for the benefit of the deceased Grantor's estate, any charity, or any beneficiary other than an individual, on or after the *designation date*. Our intent is that all qualified retirement benefits held by or payable to this trust on or after the designation date be distributed to or held only for individual beneficiaries, within the meaning of Internal Revenue Code Section 401(a)(9).

Qualified retirement benefits payable to the trust may not be used or applied on or after the designation date for payment of the deceased Grantor's debts, taxes, expenses of administration, or other claims against the deceased Grantor's estate, or for payment of estate, inheritance, or similar transfer taxes due because of the deceased Grantor's death, other than those directly attributable to and the legal obligation of a particular qualified retirement plan. This Section does not apply to any bequest or expense that is specifically directed to be funded with qualified retirement benefits.

#### **Section 5.05 Payment of Death Taxes**

For the purposes of this Article, the term *death taxes* refers to any taxes imposed by reason of the deceased Grantor's death by federal, state, or local authorities, including estate, inheritance, gift, and direct-skip generation-skipping transfer taxes. For purposes of this Section, *death taxes* does not include any additional estate tax imposed by Internal Revenue Code Section 2031(c)(5)(C) or Section 2032A(c), or any other comparable recapture tax imposed by any taxing authority. Nor does the term include any generation-skipping transfer tax, other than a direct-skip generation-skipping transfer tax.

Except as otherwise provided in this Article or elsewhere in this trust, our Trustee shall provide for payment of all death taxes from the administrative trust without apportionment. Our Trustee may not seek contribution toward or recovery of any payments of death taxes from any individual.



**(a) Protection of Exempt Property**

Death taxes may not be allocated to or paid from any assets that are not included in the deceased Grantor's gross estate for federal estate tax purposes. To the extent practicable, our Trustee may not pay any death taxes from assets that are exempt from generation-skipping transfer tax purposes.

**(b) Protection of the Marital Deduction**

Death taxes may not be paid from or allocated to any property that qualifies for the federal estate tax marital deduction.

**(c) Protection of the Charitable Deduction**

Death taxes may not be paid from or allocated to any assets passing to an organization that qualifies for the federal estate tax charitable deduction, or from any assets passing to a split-interest charitable trust, unless the Trustee has first used all other assets available to pay the taxes.

**(d) Property Passing outside of Our Trust**

Except as to qualified retirement benefits, death taxes imposed with respect to property included in the deceased Grantor's gross estate for death tax purposes but passing outside of the trust are to be apportioned among the persons and entities benefited. The proportion attributed to each person or entity is the taxable value of each person or entity's beneficial interest over the total taxable value of all property and interests included in the deceased Grantor's gross estate for death tax purposes. The values used for the apportionment are to be the values as finally determined under federal, state, or local law.

**(e) QTIP Property**

If our Trustee or the surviving Grantor's Personal Representative waives any right of recovery granted by Section 2207A and corresponding provisions of applicable state law, death taxes may not be apportioned to any property included in the deceased Grantor's gross estate under Internal Revenue Code Section 2044.

**Section 5.06 Coordination with the Personal Representative**

The following provisions are intended to help facilitate the coordination between the deceased Grantor's Personal Representative and our Trustee. These provisions apply even if the Personal Representative and the Trustee are the same person or entity.

**(a) Reliance on Information from the Personal Representative**

Our Trustee may rely upon the written request of the deceased Grantor's Personal Representative for payments authorized under this Article and the amounts included in those payments without computing the sums involved. If a payment is made under this Article to the deceased Grantor's Personal

Representative, our Trustee will have no duty to inquire into the application of the payment.

**(b) Receipt of Probate Property**

Our Trustee may accept or decline any distributions of property tendered to our Trustee by the deceased Grantor's Personal Representative. If our Trustee accepts the property, our Trustee may do so without audit, and will not be required to review the Personal Representative's records.

**(c) Discretionary Distributions to the Deceased Grantor's Personal Representative**

Our Trustee may distribute cash, accrued income, or other trust property to the deceased Grantor's probate estate as a beneficiary of this trust, to the extent our Trustee determines that doing so is in the best interests of the trust beneficiaries.

**Section 5.07 Authority to Make Tax Elections**

After a Grantor's death, our Trustee may make tax elections as provided in this Section. But if a Personal Representative is appointed for the deceased Grantor's probate estate, the discretionary authority granted to our Trustee as to any tax election will be subordinate to the Personal Representative's statutorily delegated authority.

**(a) Tax Elections**

Our Trustee may make any tax elections necessary for the efficient administration of the deceased Grantor's estate, including:

- valuing assets according to an alternate valuation date;
- electing whether to take administration expenses as estate tax deductions or income tax deductions;
- allocating a Grantor's unused generation-skipping exemption to any portion of the trust property;
- electing special-use valuation;
- deferring payment of all or any portion of any taxes; and
- making any elections relative to the *Deceased Spousal Unused Exclusion Amount* to the extent and amount allowable under Internal Revenue Code Sections 2010(c)(4) and (5), all as our Trustee considers appropriate under then-prevailing circumstances
- treating any portion of the deceased Grantor's administrative trust as part of the deceased Grantor's estate for federal or state income tax purposes, or both.

In addition, our Trustee, in its sole and absolute discretion, may elect to waive, in whole or in part, the deceased Grantor's right to have the deceased Grantor's estate reimbursed for any tax paid as a result of the inclusion in

the deceased Grantor's taxable estate of property held in a qualified terminable interest property (QTIP) trust created for the surviving Grantor by the deceased Grantor.

Our Trustee may make equitable adjustments between income and principal because of any tax elections made by our Trustee.

**(b) Allocation of GST Exemption**

Our Trustee may elect to allocate or not allocate any portion of the Available GST Exemption under Internal Revenue Code Section 2631, or a counterpart exemption under any applicable state law to any property of which the deceased Grantor is considered the transferor for generation-skipping transfer tax purposes. This includes any property transferred by the deceased Grantor during the deceased Grantor's life for which the deceased Grantor did not make an allocation prior to death. The exercise of our Trustee's discretion should be based on the transfers, gift tax returns, and other information known to our Trustee, with no requirement that allocations benefit the various transferees or beneficiaries in any particular manner.



## **Article Six**

### **Disposition of Tangible Personal Property**

#### **Section 6.01 Distribution of Tangible Personal Property by Memorandum**

Each of us may dispose of items of tangible personal property by a signed written memorandum executed after we sign this instrument. The memorandum must refer to our trust and must reasonably identify the items and the beneficiary designated to receive each item. If either or both of us executes a memorandum, our Trustee shall incorporate the memorandum by reference into this instrument to the extent permitted by law.

Our Trustee shall distribute the items of tangible personal property listed in the memorandum as promptly as practicable after the death of a Grantor who completed the memorandum, together with any insurance policies covering the property and any claims under those policies, as provided in the memorandum. If either or both of us leave multiple written memoranda that conflict as to the disposition of any item of tangible personal property, the memorandum with the most recent date will control as to that item.

If the memorandum with the most recent date conflicts with a provision of this instrument as to the specific distribution of any item of tangible personal property, the provisions of the memorandum with the most recent date will control as to those items that are in conflict.

If the law does not permit incorporation of the memorandum by reference, the memorandum will then serve as an amendment to our trust, but only to the extent this amendment solely disposes of tangible personal property. We request that our Trustee follow our wishes and distribute the items of tangible personal property listed in the memorandum according to its terms.

#### **Section 6.02 Distribution of Remaining Tangible Personal Property**

Our Trustee shall distribute any of the deceased Grantor's remaining tangible personal property not disposed of by a written memorandum to the survivor of us. Upon both of our deaths, our Trustee shall distribute the remaining tangible personal property not disposed of by written memorandum according to Article Seven.

#### **Section 6.03 Definition of Tangible Personal Property**

For purposes of this Article, the term *tangible personal property* includes household furnishings, appliances and fixtures, works of art, motor vehicles, pictures, collectibles, apparel and jewelry, books, sporting goods, and hobby paraphernalia. The term does not include any property that our Trustee, in its sole and absolute discretion, determines to be part of any business or business interest owned by the deceased Grantor or our trust.

After the death of a Grantor, if our Trustee receives property to be distributed under this Article from the deceased Grantor's probate estate or in any other manner, our Trustee shall distribute the property in accordance with this Article's terms. The fact that an item of tangible personal property was not received by our trust until after the death of a Grantor does not diminish the validity of the gift. If property to be distributed under this Article is not part of the trust property upon the death of a Grantor and is not subsequently transferred

to our Trustee from the deceased Grantor's probate estate or in any other manner, then the specific distribution of property made in this Article is null and void, without any legal or binding effect.

#### **Section 6.04 Incidental Expenses and Encumbrances**

Until property distributed in accordance with this Article is delivered to the appropriate beneficiary or his or her Legal Representative, our Trustee shall pay the reasonable expenses of securing, storing, insuring, packing, transporting, and otherwise caring for the property as an administration expense. Except as otherwise provided in our trust, our Trustee shall distribute property under this Article subject to all liens, security interests, and other encumbrances on the property.



## **Article Seven**

### **The Survivor's Trust**

Our Trustee shall allocate the remaining deceased Grantor's trust property according to the Survivor's Trust. Our Trustee shall administer the Survivor's Trust as provided in this Article.

#### **Section 7.01 Trustee of the Survivor's Trust**

The surviving Grantor may serve as sole Trustee of the Survivor's Trust. The surviving Grantor may remove and replace the Trustee of the Survivor's Trust at any time, with or without cause. Notwithstanding any other provision in this instrument, the surviving Grantor may appoint any individual or corporate fiduciary to serve as Trustee of the Survivor's Trust.

#### **Section 7.02 The Surviving Grantor's Right to Amend**

The surviving Grantor also has the absolute right to amend, restate, or revoke the Survivor's Trust's terms, in whole or in part, for any purpose. The amendment, restatement, or revocation of the Survivor's Trust must be in writing and signed by the surviving Grantor and the Trustee of the Survivor's Trust.

#### **Section 7.03 Separate Share for Deceased Grantor's Trust Property**

If the Survivor's Trust becomes the beneficiary of death benefits under any qualified retirement plan, our Trustee shall hold this property in a separate share of the Survivor's Trust during the surviving Grantor's lifetime. Our Trustee shall administer the separate share in accordance with all of this Article's provisions. But the surviving Grantor may not amend the terms of the separate share.

The purpose of the separate share is to keep the deceased Grantor's trust property and its accumulated income separate from the main share during the lifetime of the surviving Grantor, in order to qualify the separate share as a designated beneficiary under qualified retirement plans.

Our Trustee shall distribute as much of the principal and accumulated income of the separate share to the main share of the Survivor's Trust as the surviving Grantor directs in writing. This right to direct distribution from the separate share to the main account may be exercised only by the surviving Grantor.

#### **Section 7.04 Distribution of Income and Principal**

Our Trustee shall distribute all of the net income and principal of the Survivor's Trust to the surviving Grantor for any reason. Nothing contained in this instrument may limit the right of the surviving Grantor to receive the Survivor's Trust's entire net income and principal.

## **Section 7.05 Administration following the Surviving Grantor's Death**

The Survivor's Trust becomes irrevocable upon the death of the surviving Grantor, and our Trustee shall administer the Survivor's Trust consistent with the provisions of Article Five for administration following the death of the first of us to die.

Upon completion of the administrative tasks, our Trustee shall administer the unappointed balance or remainder of the Survivor's Trust as provided in Article Eight.



## **Article Eight Distribution**

### **Section 8.01    Distribution Upon the Death of One Grantor**

Upon the death of one grantor, all the remaining Trust property shall be distributed to the survivor, outright and free of Trust.

### **Section 8.02    Distribution of Our Remaining Estate**

Upon the death of the survivor of us, all of our remaining trust property shall be distributed as follows:

### **Section 8.03    Children's Trust**

Any distributions for a child to be held in Trust shall be distributed and administered as follows:

- (a) If any child is over thirty-five (35) years of age, the child's share shall be distributed to the child, outright and free of Trust.
- (b) For each child who is under thirty-five (35) years of age, the child's share shall be retained in a separate trust, and net income and principal from each trust share shall be distributed to or for the benefit of the child, as is necessary, in the discretion of our Trustee, for the child's health, education, maintenance and support.
- (c) Prior to attaining eighteen (18) years of age, each child may attend private school as determined by our Trustee.
- (d) So long as a child is a full-time college student, actively pursuing a 4-year degree, vocational degree or trade school degree, the net income and principal from the child's trust share shall be distributed to or for the child's benefit, as is necessary, in the discretion of our Trustee, for the child's health, education, maintenance and support. Distributions for undergraduate college education support shall be for a period not to exceed six (6) years. Education needs shall include tuition at any 4-year public or private college or university or vocational or trade school the child is eligible to attend, books, direct educational expenses, and reasonable living expenses for a period not to exceed five (5) years. Tuition shall be paid directly to the educational institution.
- (e) So long as a child is attending graduate school and is actively pursuing a post-graduate degree, the net income and principal from the child's trust share shall be distributed to or for the child's benefit,



as is necessary, in the discretion of our Trustee, for the child's health, education, maintenance and support. Education needs shall include tuition, books, direct educational expenses and reasonable living expenses. Tuition shall be paid directly to the educational institution. Distribution for post-graduate support shall be for a period not to exceed the actual number of years to obtain post-graduate studies, plus one (1) additional year to allow the child to obtain the requisite licensing or certification (e.g. board exams or bar exam).

(f) Upon the child attaining twenty-five (25) years of age, one-third (1/3) of the then value of the child's trust share shall be distributed to the child, outright and free of Trust. Upon attaining thirty (30) years of age, one-half (1/2) of the then value of the child's trust share shall be distributed to the child, outright and free of Trust. Upon attaining thirty-five (35) years of age, the entire remaining balance of the child's trust share shall be distributed to the child, outright and free of Trust.

(g) For each grandchild born in wedlock, our Trustee shall distribute, from the child's trust share, Five Thousand Dollars (\$5,000.00) to the child, to be held in a bank account under the newborn child's name, outright and free of Trust.

(h) Our Trustee is also authorized to loan funds, from the child's trust share, for a down payment on a house. Our Trustee will make this decision together with our children. The loans' interest rate shall be at a rate of one percent (1%).

(i) Our Trustee is also authorized to distribute funds, from a child's trust share, to enable a child to start a business. The amount of distribution for this purpose shall be in the sole and absolute discretion of our Trustee.

(j) If prior to full distribution a child becomes deceased, the child's remaining share shall be distributed equally among the child's then living descendants, *per stirpes*, under the same terms and conditions as set forth in this section. If the child has no then living descendants, the child's remaining share shall be distributed equally among the child's then living siblings. However, if any such distributee is one for whom a trust is then being administered under this Article, the share of such distributee shall, instead of being distributed outright, be added to that trust and administered and distributed in accordance with its terms.

#### **Section 8.04    Guideline for Discretionary Distributions**

In making discretionary distributions to the beneficiary, we desire and encourage the beneficiary to develop a strong work ethic, to be productive and contributing member of society, and to provide for those who are dependent on the beneficiary for care and support. Accordingly, we request that my Trustee always consider the other known resources available to the beneficiary before making discretionary distributions.





## **Article Ten**

### **Distributions to Underage and Incapacitated Beneficiaries**

If our Trustee is authorized or directed under any provision of this trust to distribute net income or principal to a person who has not yet reached 18 years of age or who is incapacitated as defined in Section 13.07(g), our Trustee may make the distribution by any one or more of the methods:

Our Trustee may distribute trust property directly to the beneficiary.

Our Trustee may distribute trust property to the beneficiary's guardian, conservator, parent, other family member, or any person who has assumed the responsibility of caring for the beneficiary.

Our Trustee may distribute trust property to any person or entity, including our Trustee, as custodian for the beneficiary under the Uniform Transfers to Minors Act or similar statute.

Our Trustee may distribute trust property to other persons and entities for the beneficiary's use and benefit.

Our Trustee may distribute trust property to an agent or attorney in fact authorized to act for the beneficiary under a valid durable power of attorney executed by the beneficiary before becoming incapacitated.

We request that before making a distribution to a beneficiary, our Trustee consider, to the extent reasonable, the ability the beneficiary has demonstrated in managing prior distributions of trust property.

# **Article Eleven**

## **Trust Administration**

### **Section 11.01 Distributions to Beneficiaries**

Whenever this trust authorizes or directs our Trustee to make a net income or principal distribution to a beneficiary, our Trustee may apply any property that otherwise could be distributed directly to the beneficiary for his or her benefit. Our Trustee is not required to inquire into the beneficiary's ultimate disposition of the distributed property unless specifically directed otherwise by this trust.

Our Trustee may make cash distributions, in-kind distributions, or distributions partly in each, in proportions and at values determined by our Trustee. Our Trustee may allocate undivided interests in specific assets to a beneficiary or trust in any proportion or manner that our Trustee determines, even though the property allocated to one beneficiary may be different from that allocated to another beneficiary.

Our Trustee may make these determinations without regard to the income tax attributes of the property and without the consent of any beneficiary.

### **Section 11.02 Beneficiary's Status**

Until our Trustee receives notice of the incapacity, birth, marriage, death, or other event upon which a beneficiary's right to receive payments may depend, our Trustee will not be held liable for acting or not acting with respect to the event, or for disbursements made in good faith to persons whose interest may have been affected by the event. Unless otherwise provided in this trust, a parent or Legal Representative may act on behalf of a minor or incapacitated beneficiary.

Our Trustee may rely on any information provided by a beneficiary with respect to the beneficiary's assets and income. Our Trustee will have no independent duty to investigate the status of any beneficiary and will not incur any liability for not doing so.

### **Section 11.03 Mandatory Payments of a Pecuniary Amount**

If any person holds the right to receive a pecuniary amount from our trust upon our death, our Trustee must either:

satisfy the entire pecuniary amount or irrevocably set aside property to satisfy the entire pecuniary amount within 15 months of our death; or

pay appropriate interest, as defined in Treasury Regulations Section 26.2642-2(b)(4)(ii)(B), to the person.

If our Trustee satisfies the pecuniary amount with an in-kind distribution, our Trustee will allocate assets to satisfy the pecuniary amount in a manner that fairly reflects net appreciation or depreciation in the value of the available assets, as measured from the valuation date to the payment date.

#### **Section 11.04 No Court Proceedings**

Our Trustee shall administer this trust with efficiency, with attention to the provisions of this trust, and with freedom from judicial intervention. If our Trustee or another interested party institutes a legal proceeding, the court will acquire jurisdiction only to the extent necessary for that proceeding. Any proceeding to seek instructions or a court determination may only be initiated in the court with original jurisdiction over matters relating to the construction and administration of trusts. Seeking instructions or a court determination is not to be construed as subjecting this trust to the court's continuing jurisdiction.

#### **Section 11.05 No Bond**

Our Trustee is not required to furnish any bond for the faithful performance of the Trustee's duties unless required by a court of competent jurisdiction, and only if the court finds that a bond is needed to protect the beneficiaries' interests. No surety will be required on any bond required by any law or court rule, unless the court specifies its necessity.

#### **Section 11.06 Exoneration of Our Trustee**

No successor Trustee is obligated to examine the accounts, records, or actions of any previous Trustee or the Personal Representative of a deceased Grantor. No successor Trustee may be held responsible for any act, omission, or forbearance by any previous Trustee or of the Personal Representative of a deceased Grantor.

Any Trustee may obtain written agreements from the beneficiaries or their Legal Representatives releasing and indemnifying the Trustee from any liability that may have arisen from the Trustee's acts, omissions, or forbearances. If acquired from all the trust's living beneficiaries or their Legal Representatives, any agreement is conclusive and binding on all parties, born or unborn, who may have or who may later acquire an interest in the trust.

Our Trustee may require a refunding agreement before making any distribution or allocation of trust income or principal and may withhold distribution or allocation pending determination or release of a tax or other lien. This refunding agreement provision will not apply to any distribution that qualifies for the federal estate tax unlimited marital deduction or the federal estate tax charitable deduction.

#### **Section 11.07 Limitations on Trustee Liability**

We recognize that some persons or institutions may be reluctant to serve as Trustee because of a concern about potential liability. Therefore, we direct that any individual or corporate fiduciary that serves as our Trustee will not incur any liability by reason of any error of judgment, mistake of law, or action or inaction of any kind in connection with the administration of any trust created under this trust, unless our Trustee's decision is shown by clear and convincing evidence to have been made in bad faith.

Any individual or corporate fiduciary currently serving as our Trustee may expend any portion of the trust assets to defend any claim brought against the Trustee, even if the Trustee's defense costs would exhaust the trust's value, unless the Trustee is shown to have acted in bad faith by clear and convincing evidence.

Any individual or corporate fiduciary that formerly served as our Trustee is entitled to reimbursement from the trust estate for any expenses, including attorney's fees and litigation costs reasonably incurred to defend any claim brought against the Trustee even if the Trustee's defense costs would exhaust the trust's value, unless the Trustee is shown to have acted in bad faith by clear and convincing evidence.

### **Section 11.08 Trustee Compensation**

An individual serving as Trustee, other than either of us, is entitled to fair and reasonable compensation for the services provided as a fiduciary. A corporate fiduciary serving as Trustee will be compensated by agreement between an individual serving as Trustee and the corporate fiduciary. In the absence of an individual Trustee or an agreement, a corporate fiduciary will be compensated in accordance with the corporate fiduciary's current published fee schedule.

A Trustee may charge additional fees for services provided that are beyond the ordinary scope of duties, such as fees for legal services, tax return preparation, and corporate finance or investment banking services.

In addition to receiving compensation, a Trustee may be reimbursed for reasonable costs and expenses incurred in carrying out the Trustee's duties under this trust.

### **Section 11.09 Employment of Professionals**

Our Trustee may appoint, employ, and remove investment advisors, accountants, auditors, depositories, custodians, brokers, consultants, attorneys, advisors, agents, and employees to advise or assist in the performance of our Trustee's duties. Our Trustee may act on the recommendations of the persons or entities employed, with or without independent investigation.

Our Trustee may reasonably compensate an individual or entity employed to assist or advise our Trustee, regardless of any other relationship existing between the individual or entity and our Trustee.

Our Trustee may compensate providers of contracted services at the usual rate out of the trust's income or principal, as our Trustee deems advisable. Our Trustee may compensate an individual or entity employed to assist or advise our Trustee without diminishing the compensation the Trustee is entitled to under this trust. A Trustee who is a partner, stockholder, officer, director, or corporate affiliate in any entity employed to assist or advise our Trustee may still receive the Trustee's share of the compensation paid to the entity.

### **Section 11.10 Determination of Principal and Income**

The rights among beneficiaries in matters concerning principal and income are to be determined in accordance with the Nevada Revised Uniform Principal and Income Act. If the Nevada Revised Uniform Principal and Income Act does not contain a provision concerning a particular item, our Trustee shall determine what will be credited, charged, and apportioned between principal and income in a fair, equitable, and practical manner with respect to that item.

Notwithstanding any provision of the Nevada Revised Uniform Principal and Income Act or Nevada law to the contrary, our Trustee shall treat distributions from any qualified retirement account to any trust established under this trust in any given year as income to the extent the distribution represents income generated or treated as generated by any qualified retirement account for that year.

**(a) Annuity and Other Periodic Payments**

*Annuity and other periodic payments* refers to distributions made to our Trustee over a fixed number of years or during the life of one or more individuals because of services provided or property transferred to the payor in exchange for future payments. This includes payments made in money or property from the payor's general assets or from a separate fund created by the payor, including a private or commercial annuity, individual retirement annuity, pension, profit-sharing plan, stock-bonus plan, stock-ownership plan, or similar arrangement. Our Trustee shall treat annuity and other periodic payments to any trust established under this trust in any given year as income to the extent the distribution represents income generated and treated as generated by the annuity or other periodic payment for that year. If income information is not available, then our Trustee shall apportion the annuity and other periodic payments between principal and income in a fair, equitable and practical manner under the guidelines set forth in this Section.

To the extent an annuity or other periodic payment is characterized as interest, dividend, or other item of income, or an annuity or other periodic payment is made instead of interest, dividend, or other item of income, our Trustee shall allocate the payment to income. Our Trustee shall allocate to principal the balance of the annuity or other periodic payment as well as any other payment received in the same accounting period that is not characterized as interest, dividend, or other item of income.

To the extent annuity and other periodic payments are made and no part of the payments are characterized as interest, dividend, or other item of income, our Trustee shall use the present value of the annuity and other periodic payments as finally determined for federal estate tax purposes, and the Internal Revenue Code Section 7520 rate used to determine the value for federal estate tax purposes to prepare an annuitization table to allocate the payments between income and principal.

If the amounts of annuity and other periodic payments change because of changes in the investment markets or other changes, our Trustee shall allocate the change in the amount of the payments between income and principal in a fair, equitable, and practical manner.

**(b) Protection of Estate Tax Marital Deduction**

If, to obtain an estate tax marital deduction for a trust established under this trust, our Trustee must allocate more of a payment to income than provided



for by this Section, then our Trustee shall allocate to income the additional amount necessary to obtain the marital deduction.

### **Section 11.11 Trust Accounting**

Except to the extent required by law, our Trustee is not required to file accountings in any jurisdiction. During our lifetimes or the lifetime of the survivor of us, and as long as at least one of us is serving as a Trustee, our Trustee is not required to provide an accounting to any person. If neither of us is serving as Trustee, our Trustee must provide an accounting to us at least annually unless waived. If both of us are incapacitated, or if one of us is deceased and the other is incapacitated, then our Trustee must provide the accounting to our Legal Representatives, unless waived by our Legal Representatives.

After the death of the first of us to die, our Trustee must provide an annual accounting to the Qualified Beneficiaries of any trust created under this trust unless waived by the Qualified Beneficiaries.

The annual accounting must include the receipts, expenditures, and distributions of income and principal and the assets on hand for the accounting period. A copy of the federal fiduciary tax return filed for a trust during the accounting will satisfy this reporting requirement.

In the absence of fraud or obvious error, assent by all Qualified Beneficiaries to a Trustee's accounting will make the matters disclosed in the accounting binding and conclusive upon all persons, including those living on this date and those born in the future who have or will have a vested or contingent interest in the trust property. In the case of a Qualified Beneficiary who is a minor or incapacitated, the beneficiary's natural guardian or Legal Representative may give the assent required under this Section.

In all events, a beneficiary's Legal Representative may receive any notices and take any action on behalf of the beneficiary as to an accounting. If any beneficiary's Legal Representative fails to object to any accounting in writing within 60 days after our Trustee provides the accounting, the beneficiary's Legal Representative will be considered to assent to the accounting.

### **Section 11.12 Action of Trustees and Delegation of Trustee Authority**

When neither of us is serving as a Trustee, if two Trustees are eligible to act with respect to a given matter, they must agree unanimously for action to be taken unless the express terms of the Trustees' appointment provide otherwise. If more than two Trustees are eligible to act with respect to a given matter, the Trustees must agree by majority for action to be taken.

A nonconcurring Trustee may dissent or abstain from a decision of the majority. A Trustee will be absolved from personal liability by registering the dissent or abstention in the trust records. After doing so, the dissenting Trustee must then act with our other Trustees in any way necessary or appropriate to effect the majority decision.

Any Trustee may, by written instrument, delegate to any other Trustee the right to exercise any power, including a discretionary power, granted to our Trustee in this trust. During the time a delegation under this Section is in effect, the Trustee to whom the delegation is

made may exercise the power to the same extent as if the delegating Trustee has personally joined in the exercise of the power. The delegating Trustee may revoke the delegation at any time by giving written notice to the Trustee to whom the power was delegated.

### **Section 11.13 Trustee May Disclaim or Release Any Power**

Notwithstanding any provision of this trust to the contrary, any Trustee may relinquish any Trustee power in whole or in part, irrevocably or for any specified period of time, by a written instrument. The Trustee may relinquish a power personally or may relinquish the power for all subsequent Trustees.

### **Section 11.14 Trustee May Execute a Power of Attorney**

Our Trustee may appoint any individual or entity to serve as our Trustee's agent under a power of attorney to transact any business on behalf of our trust or any other trust created under this trust.

### **Section 11.15 Additions to Separate Trusts**

If upon the death of the survivor of us, or upon the termination of any trust created under this trust, a final distribution is to be made to a person who is the Primary Beneficiary of another trust established under this trust, and there is no specific indication whether the distribution is to be made in trust or outright, our Trustee shall make the distribution to the second trust instead of distributing the property to the beneficiary outright. For purposes of administration, the distribution will be treated as though it had been an original part of the second trust.

### **Section 11.16 Authority to Merge or Sever Trusts**

Our Trustee may merge a trust created under this trust with any other trust, if the two trusts contain substantially the same terms for the same beneficiaries and have at least one Trustee in common. Our Trustee may administer the merged trust under the provisions of the instrument governing the other trust, and this trust will no longer exist if it merges into another trust. Accordingly, in the event another trust is merged into this trust or a trust created under the provisions of this trust document, our Trustee may shorten the period during which this trust subsists to comply with Section 13.01, if necessary, to effect the merger. But if a merger does not appear feasible, our Trustee may consolidate the trusts' assets for purposes of investment and trust administration while retaining separate records and accounts for each respective trust.

Our Trustee may sever any trust on a fractional basis into two or more separate and identical trusts, or may segregate a specific amount or asset from the trust property by allocating it to a separate account or trust. The separate trusts may be funded on a *non pro rata* basis, but the funding must be based on the assets' total fair market value on the funding date. After the segregation, income earned on a segregated amount or specific asset passes with the amount or asset segregated. Our Trustee shall hold and administer each severed trust upon terms and conditions identical to those of the original trust.

Subject to the trust's terms, our Trustee may consider differences in federal tax attributes and other pertinent factors in administering the trust property of any separate account or

trust, in making applicable tax elections and in making distributions. A separate trust created by severance must be treated as a separate trust for all purposes from the effective severance date; however, the effective severance date may be retroactive to a date before our Trustee exercises the power.

### **Section 11.17 Authority to Terminate Trusts**

Our Trustee may terminate any trust created under this trust at any time, if our Trustee, in its sole and absolute discretion, determines that administering a trust created under this trust is no longer economical. Once distributed, our Trustee will have no further responsibility with respect to that trust property. Our Trustee will distribute the trust property from a terminated trust in this order:

to us, if we are both then living;

if one of us is deceased, to the surviving Grantor, if the surviving Grantor is then a trust beneficiary;

if we are both deceased or the surviving Grantor is not a trust beneficiary, to the beneficiaries then entitled to mandatory distributions of the trust's net income, in the same proportions; and then

if none of the beneficiaries are entitled to mandatory distributions of net income, to the beneficiaries then eligible to receive discretionary distributions of the trust's net income, in the amounts and shares our Trustee determines.

### **Section 11.18 Merger of Corporate Fiduciary**

If any corporate fiduciary acting as the Trustee under this trust is merged with or transfers substantially all of its trust assets to another corporation, or if a corporate fiduciary changes its name, the successor will automatically succeed to the trusteeship as if that successor had been originally named a Trustee. No document of acceptance of trusteeship will be required.

### **Section 11.19 Funeral and Other Expenses of Beneficiary**

Upon the death of an Income Beneficiary, our Trustee may pay the funeral expenses, burial or cremation expenses, enforceable debts, or other expenses incurred due to the death of the beneficiary from trust property. This Section only applies to the extent the Income Beneficiary has not exercised any testamentary power of appointment granted to the beneficiary under this trust.

Our Trustee may rely upon any request by the deceased beneficiary's Legal Representative or family members for payment without verifying the validity or the amounts and without being required to see to the application of the payment. Our Trustee may make decisions under this Section without regard to any limitation on payment of expenses imposed by statute or court rule and without obtaining the approval of any court having jurisdiction over the administration of the deceased beneficiary's estate.

## Section 11.20 Generation-Skipping Transfer Tax Provisions

If any trust created under this trust would be partially exempt from generation-skipping transfer tax after the intended allocation of Available GST Exemption to the trust, then our Trustee may divide the partially exempt trust so that the allocation of Available GST Exemption can be made to a trust that will be entirely exempt from generation-skipping transfer tax. If our Trustee chooses to divide a trust that would otherwise be a partially exempt trust, our Trustee must create and administer the separate trusts as provided in this Section.

### (a) Division into Exempt and Non-Exempt Trusts

Our Trustee shall divide the property of the otherwise partially-exempt trust into two separate trusts, the *exempt trust* and the *nonexempt trust*. The exempt trust will consist of the largest fractional share of the otherwise partially exempt trust's total assets that will permit the exempt trust to be entirely exempt from generation-skipping transfer tax. The *nonexempt trust* will consist of the balance of the otherwise partially exempt trust's total assets.

To compute the fractional share, our Trustee will use asset values as finally determined for federal estate tax purposes. Our Trustee must then apply the fraction to the assets at their actual value on the effective date or dates of distribution so that the actual value of the fractional share resulting from the application of the fraction will include fluctuations in the trust property's value. We request that our Trustee allocate the value of any Roth IRAs payable to our trust to the exempt trust to the extent possible.

### (b) Administration of the Trusts

Our Trustee shall administer the exempt and nonexempt trusts created under this Section as separate and independent trusts, but under the same terms as the original trust. To the extent possible, our Trustee should make distributions to a non-skip person as defined by Internal Revenue Code Section 2613 from the nonexempt trust and distributions to a skip person as defined by Section 2613 from an exempt trust. Our Trustee may designate names for the exempt and nonexempt trusts.

If an exempt trust and a nonexempt trust are further divided under the terms of this trust, our Trustee may allocate property from the exempt trust first to the trust from which a generation-skipping transfer is more likely to occur.

### (c) Expression of Our Intent

Our intent is to minimize the application of the generation-skipping transfer tax to the trust property, but not to affect the total amount of trust property to which any beneficiary may be entitled under this trust. This trust must be construed and interpreted to give effect to this intent.

**(d) Additions of Property to Exempt and Non-Exempt Trusts**

If at any time any property that has an inclusion ratio greater than zero for generation-skipping transfer tax purposes would be added to a trust with property that has an inclusion ratio of zero, then our Trustee will instead hold the property in a separate trust on the same terms and conditions as the original trust.

**(e) Re-Allocation**

If our Trustee's determination of whether a trust in this trust is partially, entirely, or not exempt from GST taxes is later incorrect (for example, if the Congress by law or the Service by regulation or ruling applies the generation-skipping transfer tax retroactively to the trust), our Trustee may re-allocate the assets as of the initial division date, as provided in this Section.

**Section 11.21 Delay of Distribution**

Notwithstanding the distribution provisions of this agreement, the following powers and directions are given to our Trustee:

- (a)** If, upon any of the dates or events described in this agreement, our Trustee for any reason described below determines, in our Trustee's sole discretion, that it would not be in the best interest of the beneficiary that a distribution take place, then in that event the said distribution shall be totally or partially postponed until the reason for the postponement has been eliminated. During the period of postponement, our Trustee shall have the absolute discretion to distribute income or principal to the beneficiary as our Trustee deems advisable for the beneficiary's welfare.
- (b)** If said causes for delayed distribution are never removed, then the trust share of that beneficiary shall continue until the death of the beneficiary and then be distributed as provided in this trust Instrument. The causes of such delay in the distribution shall be limited to any of the following:

  - (1)** The current involvement of the beneficiary in a divorce proceeding or a bankruptcy or other insolvency proceedings.
  - (2)** The existence of a large judgment against the beneficiary.
  - (3)** Chemical abuse or dependency, or the conviction of the beneficiary of a felony, involving drugs or narcotics, unless a five year period has followed said conviction.
  - (4)** The existence of any event that would deprive the beneficiary of complete freedom to expend the

distribution from the trust estate according to his or her own desires.

- (5)** In the event that a beneficiary is not residing in the United States of America at any given time, then our Trustee may decline to transmit to him or her any part or all of the income and shall not be required to transmit to him or her any of the principal if, in our Trustee's sole and uncontrolled judgment, the political and/or economic conditions of such place of residence of the beneficiary are such that it is likely the money would not reach him or her, or upon reaching him or her, would be unduly taxed, seized, confiscated, appropriated, or in any way taken from him or her in such a manner as to prevent his or her use and enjoyment of the same.

- (6)** The judicially declared incompetency of the beneficiary.

**(c)** Our Trustee shall not be responsible to consider postponing distributions under this Article unless our Trustee has knowledge of the happening of any event set forth above.

**(d)** To safeguard the rights of the beneficiary, if any distribution from his or her trust share has been delayed for more than one (1) year, he or she may apply to the District Court in Las Vegas, Nevada, for a judicial determination as to whether the Trustee has reasonably adhered to the standards set forth herein. Our Trustee shall not have any liability in the event the Court determines the Trustee made a good faith attempt to reasonably follow the standards set forth above.



# **Article Twelve**

## **Our Trustee's Powers**

### **Section 12.01 Introduction to Trustee's Powers**

Except as otherwise specifically provided in this trust, our Trustee may exercise the powers granted by this trust without prior approval from any court, including those powers set forth under the laws of the State of Nevada or any other jurisdiction whose law applies to this trust. The powers set forth in The Nevada Uniform Fiduciaries Act are specifically incorporated into this trust.

Our Trustee shall exercise the Trustee powers in the manner our Trustee determines to be in the beneficiaries' best interests. Our Trustee must not exercise any power inconsistent with the beneficiaries' right to the enjoyment of the trust property in accordance with the general principles of trust law.

Our Trustee may have duties and responsibilities in addition to those described in this trust. We encourage any individual or corporate fiduciary serving as Trustee to obtain appropriate legal advice if our Trustee has any questions concerning the duties and responsibilities as Trustee.

### **Section 12.02 Execution of Documents by Our Trustee**

Our Trustee may execute and deliver any written instruments that our Trustee considers necessary to carry out any powers granted in this trust.

### **Section 12.03 Investment Powers in General**

Our Trustee may invest in any type of investment that our Trustee determines is consistent with the investment goals of the trust, whether inside or outside the geographic borders of the United States of America and its possessions or territories, taking into account the overall investment portfolio of the trust.

Without limiting our Trustee's investment authority in any way, we request that our Trustee exercise reasonable care and skill in selecting and retaining trust investments. We also request that our Trustee take into account the following factors in choosing investments:

- the potential return from the investment, both in income and appreciation;
- the potential income tax consequences of the investment;
- the investment's potential for volatility; and
- the role the investment will play in the trust's portfolio.

We request that our Trustee also consider the possible effects of inflation or deflation, changes in global and US economic conditions, transaction expenses, and the trust's need for liquidity while arranging the trust's investment portfolio.

Our Trustee may delegate his or her discretion to manage trust investments to any registered investment advisor or corporate fiduciary.

## Section 12.04 Banking Powers

Our Trustee may establish any type of bank account in any banking institutions that our Trustee chooses. If our Trustee makes frequent disbursements from an account, the account does not need to be interest bearing. Our Trustee may authorize withdrawals from an account in any manner.

Our Trustee may open accounts in the name of our Trustee, with or without disclosing fiduciary capacity, and may open accounts in the name of the trust. When an account is in the name of the trust, checks on that account and authorized signatures need not disclose the account's fiduciary nature or refer to any trust or Trustee.

## Section 12.05 Business Powers

If the trust owns or acquires an interest in a business entity, whether as a shareholder, partner, general partner, sole proprietor, member, participant in a joint venture, or otherwise, our Trustee may exercise the powers and authority provided for in this Section. The powers granted in this Section are in addition to all other powers granted to our Trustee in this trust.

### (a) No Duty to Diversify

Notwithstanding any duty to diversify imposed by state law or any other provision of this trust, our Trustee may acquire or indefinitely retain any ownership interest in or indebtedness of any closely held or nonpublicly traded entity in which the trust, we, our descendants, and the spouses of our descendants have an ownership interest (the *business interests*), and even though any business interest may constitute all or a substantial portion of the trust property. We specifically authorize our Trustee to invest or indefinitely retain all or any part of the trust property in these business interests, regardless of any resulting risk, lack of income, diversification, or marketability. We waive any applicable prudent investor rule, as well as the Trustee's standard of care and duty to diversify with respect to the acquisition or retention of these business interests.

We recognize that the value of a noncontrolling interest in a business entity may be less than the underlying value of the entity's net assets. Nevertheless, we authorize our Trustee to acquire or retain any noncontrolling business interests.

### (b) Specific Management Powers

Our Trustee has all power and authority necessary to manage and operate any business owned by the trust, whether directly or indirectly, including the express powers set forth in this Subsection. Our Trustee may participate directly in the conduct of the business, by serving as a general partner of a limited partnership, a member, manager or managing member of a limited liability company, or a shareholder of a corporation, or may employ others to serve in that capacity.

Our Trustee may participate in the management of the business and delegate management duties and powers to any employee, manager, partner, or



associate of the business, without incurring any liability for the delegation. To the extent that the business interest held by the trust is not one that includes management powers (such as a minority stock interest, limited partnership interest, or a membership interest in a limited liability company), our Trustee has no obligation to supervise the management of the underlying assets, and no liability for the actions of those who do manage the business.

Our Trustee may enter into management trusts and nominee trusts in which our Trustee and the trust may serve as the exclusive manager or nominee of property or property interests on behalf of any limited partnership, limited liability company, or corporation.

Our Trustee, individually, or if our Trustee is a corporate fiduciary, then an employee of our Trustee, may act as a director, general or limited partner, associate, or officer of the business.

Our Trustee may participate with any other person or entity in the formation or continuation of a partnership either as a general or limited partner, or in any joint venture. Our Trustee may exercise all the powers of management necessary and incidental to a membership in the partnership, limited partnership, or joint venture, including making charitable contributions.

Our Trustee may reduce, expand, limit, or otherwise adjust the operation or policy of the business. Our Trustee may subject the trust's principal and income to the risks of the business for any term or period, as our Trustee determines.

For any business in which the trust has an interest, our Trustee may advance money or other property, make loans (subordinated or otherwise) of cash or securities, and guarantee the loans of others made to the business. Our Trustee may borrow money for the business, either alone or with other persons interested in the business, and may secure the loan or loans by a pledge or mortgage of any part of any trust property.

Our Trustee may select and vote for directors, partners, associates, and officers of the business. Our Trustee may enter into owners' agreements with a business in which the trust has an interest or with the other owners of the business.

Our Trustee may execute agreements and amendments to agreements as may be necessary to the operation of the business, including stockholder agreements, partnership agreements, buy-sell agreements, and operating agreements for limited liability companies.

Our Trustee may generally exercise any powers necessary for the continuation, management, sale, or dissolution of the business.

Our Trustee may participate in the sale, reorganization, merger, consolidation, recapitalization, or liquidation of the business. Our Trustee may sell or liquidate the business or business interest on terms our Trustee deems advisable and in the best interests of the trust and the beneficiaries.

Our Trustee may sell any business interest held by the trust to one or more of the beneficiaries of this trust or to any trust in which a majority of the beneficiaries are beneficiaries of this trust. Our Trustee may make the sale in exchange for cash, a private annuity, an installment note, or any combination of those.

Our Trustee may exercise all of the business powers granted in this trust even though our Trustee may be personally invested in or otherwise involved with the business.

**(c) Business Liabilities**

If any tort or contract liability arises in connection with the business, and if the trust is liable, our Trustee will first satisfy the liability from the assets of the business, and only then from other trust property as determined by our Trustee.

**(d) Trustee Compensation**

In addition to the compensation set forth in Section 11.08, our Trustee may receive additional reasonable compensation for services in connection with the operation of the business. Our Trustee may receive this compensation directly from the business, the trust or both.

**(e) Conflicts of Interest**

Our Trustee may exercise all of the powers granted in this trust even though our Trustee may be involved with or have a personal interest in the business.

**Section 12.06 Contract Powers**

Our Trustee may sell at public or private sale, transfer, exchange for other property, and otherwise dispose of trust property for consideration and upon terms and conditions that our Trustee deems advisable. Our Trustee may grant options of any duration for any sales, exchanges, or transfers of trust property.

Our Trustee may enter into contracts, and may deliver deeds or other instruments, that our Trustee considers appropriate.

**Section 12.07 Common Investments**

For purposes of convenience with regard to the trust property's administration and investment, our Trustee may invest part or all of the trust property jointly with property of other trusts for which our Trustee is also serving as a Trustee. A corporate fiduciary acting as our Trustee may use common funds for investment. When trust property is managed and invested in this manner, our Trustee will maintain records that sufficiently identify this trust's portion of the jointly invested assets.

**Section 12.08 Environmental Powers**

Our Trustee may inspect trust property to determine compliance with or to respond to any environmental law affecting the property. For purposes of this trust *environmental law*

means any federal, state, or local law, rule, regulation, or ordinance protecting the environment or human health.

Our Trustee may refuse to accept property if our Trustee determines that the property is or may be contaminated by any hazardous substance or is or was used for any purpose involving hazardous substances that could create liability to the trust or to any Trustee.

Our Trustee may use trust property to:

- conduct environmental assessments, audits, or site monitoring;
- take remedial action to contain, clean up, or remove any hazardous substance including a spill, discharge, or contamination;
- institute, contest, or settle legal proceedings brought by a private litigant or any local, state, or federal agency concerned with environmental compliance;
- comply with any order issued by any court or by any local, state, or federal agency directing an assessment, abatement, or cleanup of any hazardous substance; and
- employ agents, consultants, and legal counsel to assist our Trustee in these actions.

Our Trustee is not liable for any loss or reduction in value sustained by the trust as a result of our Trustee's decision to retain property on which hazardous materials or substances requiring remedial action are discovered, unless our Trustee contributed to that loss through willful misconduct or gross negligence.

Our Trustee is not liable to any beneficiary or to any other party for any decrease in the value of property as a result of our Trustee's actions to comply with any environmental law, including any reporting requirement.

Our Trustee may release, relinquish, or disclaim any power held by our Trustee that our Trustee determines may cause our Trustee to incur individual liability under any environmental law.

## **Section 12.09 Insurance Powers**

Our Trustee may purchase, accept, hold, and deal with as owner, insurance policies on either or both of our lives, any beneficiary's life, or any person's life in whom any beneficiary has an insurable interest.

Our Trustee may purchase disability, medical, liability, longterm health care and other insurance on behalf of and for the benefit of any beneficiary. Our Trustee may purchase annuities and similar investments for any beneficiary.

Our Trustee may execute or cancel any automatic premium loan agreement with respect to any policy, and may elect or cancel any automatic premium loan provision in a life insurance policy. Our Trustee may borrow money to pay premiums due on any policy, either by borrowing from the company issuing the policy or from another source. Our Trustee may assign the policy as security for the loan.

Our Trustee may exercise any option contained in a policy with regard to any dividend or share of surplus apportioned to the policy to reduce the amount of a policy, to convert or exchange the policy, or to surrender a policy at any time for its cash value.

Our Trustee may elect any paid-up insurance or extended-term insurance nonforfeiture option contained in a policy.

Our Trustee may sell any policy at its fair market value to anyone having an insurable interest in the policy, including the insured.

Our Trustee may exercise any other right, option, or benefit contained in a policy or permitted by the issuing insurance company.

Upon termination of the trust, our Trustee may transfer and assign the policies held by the trust as a distribution of trust property.

### **Section 12.10 Loans and Borrowing Powers**

Our Trustee may make loans to any person including a beneficiary, as well as an entity, trust, or estate, for any term or payable on demand, and secured or unsecured.

Our Trustee may encumber any trust property by mortgages, pledges, or otherwise, and may negotiate, refinance, or enter into any mortgage or other secured or unsecured financial arrangement, whether as a mortgagee or mortgagor. The term may extend beyond the trust's termination and beyond the period required for an interest created under this trust to vest in order to be valid under the rule against perpetuities.

Our Trustee may enter into, negotiate, or modify the terms of any mortgage or any other secured or unsecured agreement granted in connection with any loan entered into by either or both of us or by any Trustee, and may release or foreclose on any mortgage or security interest payable to either or both of us or to the trust.

Our Trustee may borrow money at interest rates and on other terms that our Trustee deems advisable from any person, institution, or other source including, in the case of a corporate fiduciary, its own banking or commercial lending department.

Our Trustee may purchase, sell at public or private sale, trade, renew, modify, and extend mortgages. Our Trustee may accept deeds instead of foreclosing.

### **Section 12.11 Nominee Powers**

Our Trustee may hold real estate, securities, and any other property in the name of a nominee or in any other form, without disclosing the existence of any trust or fiduciary capacity.

### **Section 12.12 Payment of Property Taxes and Expenses**

Except as otherwise provided in this trust, our Trustee may pay any property taxes, assessments, fees, charges, and other expenses incurred in the administration or protection of the trust. All payments will be a charge against the trust property and will be paid by our Trustee out of income. If the income is insufficient, then our Trustee may make any payments of property taxes or expenses out of the trust property's principal. Our Trustee's determination with respect to this payment will be conclusive on the beneficiaries.

### **Section 12.13 Purchase of Assets from and Loans to a Deceased Grantor's Probate Estate**

Upon the death of a Grantor, our Trustee may purchase at fair market value and retain in the form received any property that is a part of the deceased Grantor's probate or trust estate as an addition to the trust. In addition, our Trustee may make secured and unsecured loans to the deceased Grantor's probate or trust estate. Our Trustee may not be held liable for any loss suffered by the trust because of the exercise of the powers granted in this Section.

Our Trustee may not use any trust property for the benefit of the deceased Grantor's estate as defined in Code of Federal Regulations Title 26 Section 20.2042-1(b), unless the property is included in the deceased Grantor's gross estate for federal estate tax purposes.

### **Section 12.14 Real Estate Powers**

Our Trustee may sell at public or private sale, convey, purchase, exchange, lease for any period, mortgage, manage, alter, improve, and in general deal in and with real property in the manner and on the terms and conditions as our Trustee deems appropriate.

Our Trustee may grant or release easements in or over, subdivide, partition, develop, raze improvements to, and abandon any real property.

Our Trustee may manage real estate in any manner considered best, and may exercise all other real estate powers necessary to effect this purpose.

Our Trustee may enter into contracts to sell real estate. Our Trustee may enter into leases and grant options to lease trust property, even though the term of the agreement extends beyond the termination of any trusts established under this trust and beyond the period that is required for an interest created under this trust to vest in order to be valid under the rule against perpetuities. Our Trustee may enter into any contracts, covenants, and warranty agreements that our Trustee deems appropriate.

### **Section 12.15 Residences and Tangible Personal Property**

Our Trustee may acquire, maintain, and invest in any residence for the beneficiaries' use and benefit, whether or not the residence is income producing and without regard to the proportion that the residence's value may bear to the trust property's total value, even if retaining the residence involves financial risks that Trustees would not ordinarily incur. Our Trustee may pay or make arrangements for others to pay all carrying costs of any residence for the beneficiaries' use and benefit, including taxes, assessments, insurance, maintenance, and other related expenses.

Our Trustee may acquire, maintain, and invest in articles of tangible personal property, whether or not the property produces income. Our Trustee may pay for the repair and maintenance of the property.

Our Trustee is not required to convert the property referred to in this Section to income-producing property, except as required by other provisions of this trust.

Our Trustee may permit any Income Beneficiary of the trust to occupy any real property or use any personal property owned by the trust on terms or arrangements that our Trustee

determines, including rent free or in consideration for the payment of taxes, insurance, maintenance, repairs, or other charges.

Our Trustee is not liable for any depreciation or loss resulting from any decision to retain or acquire any property as authorized by this Section.

### **Section 12.16 Digital Assets**

Our Trustee has the authority to access, modify, control, archive, transfer, and delete our digital assets.

Digital assets include our sent and received emails, email accounts, digital music, digital photographs, digital videos, gaming accounts, software licenses, social-network accounts, file-sharing accounts, financial accounts, domain registrations, Domain Name System (DNS) service accounts, blogs, listservs, web-hosting accounts, tax-preparation service accounts, online stores and auction sites, online accounts, and any similar digital asset that currently exists or may be developed as technology advances.

Our digital assets may be stored on the cloud or on our own digital devices. Our Trustee may access, use, and control our digital devices in order to access, modify, control, archive, transfer, and delete our digital assets—this power is essential for access to our digital assets that are only accessible through our digital devices. Digital devices include desktops, laptops, tablets, peripherals, storage devices, mobile telephones, smartphones, and any similar hardware that currently exists or may be developed as technology advances.

### **Section 12.17 Retention and Abandonment of Trust Property**

Our Trustee may retain any property constituting the trust at the time of its creation, at the time of the death of a Grantor, or as the result of the exercise of a stock option, without liability for depreciation or loss resulting from retention. Our Trustee may retain property, notwithstanding the fact that the property may not be of the character prescribed by law for the investment of assets held by a fiduciary, and notwithstanding the fact that retention may result in inadequate diversification under any applicable Prudent Investor Act or other applicable law.

Our Trustee may hold property that is not income producing or is otherwise nonproductive if holding the property is in the best interests of the beneficiaries in the sole and absolute discretion of our Trustee. On the other hand, our Trustee will invest contributions of cash and cash equivalents as soon as reasonably practicable after the assets have been acquired by the trust.

Our Trustee may retain a reasonable amount in cash or money market accounts to pay anticipated expenses and other costs, and to provide for anticipated distributions to or for the benefit of a beneficiary.

Our Trustee may abandon any property that our Trustee considers of insignificant value.

### **Section 12.18 Securities, Brokerage and Margin Powers**

Our Trustee may buy, sell, trade, and otherwise deal in stocks, bonds, investment companies, mutual funds, common trust funds, commodities, and other securities of any kind and in any amount, including short sales. Our Trustee may write and purchase call or



put options, and other derivative securities. Our Trustee may maintain margin accounts with brokerage firms and may pledge securities to secure loans and advances made to our Trustee or to or for a beneficiary's benefit.

Our Trustee may place all or any part of the securities held by the trust in the custody of a bank or trust company. Our Trustee may have all securities registered in the name of the bank or trust company or in the name of the bank's nominee or trust company's nominee. Our Trustee may appoint the bank or trust company as the agent or attorney in fact to collect, receive, receipt for, and disburse any income, and generally to perform the duties and services incident to a custodian of accounts.

Our Trustee may employ a broker-dealer as a custodian for securities held by the trust, and may register the securities in the name of the broker-dealer or in the name of a nominee; words indicating that the securities are held in a fiduciary capacity are optional. Our Trustee may hold securities in bearer or uncertificated form, and may use a central depository, clearing agency, or book-entry system, such as The Depository Trust Company, Euroclear, or the Federal Reserve Bank of New York.

Our Trustee may participate in any reorganization, recapitalization, merger, or similar transaction. Our Trustee may exercise or sell conversion or subscription rights for securities of all kinds and descriptions. Our Trustee may give proxies or powers of attorney that may be discretionary and with or without powers of substitution, and may vote or refrain from voting on any matter.

#### **Section 12.19 Settlement Powers**

Our Trustee may settle any claims and demands in favor of or against the trust by compromise, adjustment, arbitration, or other means. Our Trustee may release or abandon any claim in favor of the trust.

#### **Section 12.20 Subchapter S Corporation Stock Provisions**

During any period the trust is not treated as a grantor trust for tax purposes under Internal Revenue Code Section 671, this trust or any trust created under this trust may hold any S corporation stock held as a separate *Electing Small Business Trust*, or as a separate *Qualified Subchapter S Trust*, as provided in this Section.

For purposes of this Section, *S corporation stock* means all capital stock issued by a corporation (or other entity taxable as a corporation for federal income tax purposes) that is treated or is intended to be treated under Section 1361(a) as an *S corporation* for federal income tax purposes.

##### **(a) Electing Treatment as an Electing Small Business Trust**

If our Trustee elects under Internal Revenue Code Section 1361(e)(3) to qualify any portion of the trust as an *Electing Small Business Trust*, our Trustee shall:

apportion a reasonable share of the unallocated expenses of all trusts created under this trust to the Electing Small Business Trust under the applicable provisions of the Internal Revenue Code and Treasury Regulations; and

administer the trust as an Electing Small Business Trust, under Internal Revenue Code Section 1361(e).

**(b) Electing Treatment as a Qualified Subchapter S Trust**

If the current Income Beneficiary of the trust makes an election under Section 1361(d)(2) to qualify the trust as a Qualified Subchapter S Trust within the meaning of Section 1361(d)(3), our Trustee shall:

refer to the Qualified Subchapter S Trust using the same name as the trust to which the stock was originally allocated, plus the name of the current Income Beneficiary of the trust, followed by the letters QSST;

administer the Qualified Subchapter S Trust in accordance with the same provisions contained in the trust to which the Trustee allocated the S corporation stock, as long as the provisions of this Subsection control the trust administration to the extent that they are inconsistent with the provisions of the original trust; and

maintain the Qualified Subchapter S Trust as a separate trust held for the benefit of only one beneficiary as required in Section 1361(d)(3).

Our Trustee shall recommend that the current Income Beneficiary of the trust make a timely election to cause federal tax treatment of the trust as a Qualified Subchapter S Trust.

**(1) Current Income Beneficiary**

The *current Income Beneficiary* of a Qualified Subchapter S Trust is the person who has a present right to receive income distributions from the trust to which the Trustee has allocated the S corporation stock. A Qualified Subchapter S Trust may have only one current Income Beneficiary.

If, under the terms of the trust, more than one person has a present right to receive income distributions from the trust originally holding the S corporation stock, our Trustee shall segregate the S corporation stock into separate Qualified Subchapter S Trusts for each of these people.

**(2) Distributions**

Until the earlier of the death of the current Income Beneficiary or the date on which the trust no longer holds any S corporation stock (the *QSST termination date*), our Trustee shall distribute at least annually all of the trust's *net income*, as defined in Internal Revenue Code Section 643(b) to the current Income Beneficiary.



The terms of the trust to which the S corporation stock was originally allocated govern distributions of principal from the Qualified Subchapter S Trust. But until the QSST termination date, our Trustee may distribute principal only to the current Income Beneficiary of the Qualified Subchapter S Trust and not to any other person or entity.

If the Qualified Subchapter S Trust terminates during the lifetime of the current Income Beneficiary, our Trustee shall distribute all assets of the Qualified Subchapter S Trust to the current Income Beneficiary outright and free of the trust.

### **(3) Allocation of Income and Expenses**

Our Trustee shall characterize receipts and expenses of any Qualified Subchapter S Trust in a manner consistent with Internal Revenue Code Section 643(b).

### **(4) Trust Merger or Consolidation**

Notwithstanding any other provision of this trust that may seem to the contrary, our Trustee may not merge any Qualified Subchapter S Trust with another trust's assets if doing so would jeopardize the qualification of either trust as a Qualified Subchapter S Trust.

### **(c) Governance of the Trusts**

The following additional provisions apply to any separate trust created under this Section.

#### **(1) Protection of S Corporation Status**

Our Trustee must not administer a trust holding S corporation stock in a manner that would cause the termination of the S corporation status of the entity whose stock is held as part of the trust. Therefore, during any period that the trust holds S corporation stock, our Trustee must construe the terms and provisions of this trust in a manner that is consistent with the trust qualifying as an Electing Small Business Trust or as a Qualified Subchapter S Trust. Our Trustee must disregard any provision of this trust that cannot be so construed or applied.

#### **(2) Methods of Distribution**

Our Trustee may not make distributions in a manner that would jeopardize the trust's qualification as an Electing Small Business Trust or as a Qualified Subchapter S Trust.

#### **(3) Disposition of S Corporation Stock**

If our Trustee believes the continuation of any trust would result in the termination of the S corporation status of any

entity whose stock is held as a part of the trust property, our Trustee, other than an Interested Trustee, in addition to the power to sell or otherwise dispose of the stock, has the power to distribute the stock to the person who is then entitled to receive the income from the trust.

**Section 12.21 No Distributions in Discharge of Certain Legal Obligations**

Our Trustee may not exercise or participate in the exercise of discretion with respect to the distribution of income or principal that would in any manner discharge a legal obligation of our Trustee, including the obligation of support.

If a beneficiary or any other person has the power to remove a Trustee, that Trustee may not exercise or participate in the exercise of discretion with respect to the distribution of income or principal that would in any manner discharge a legal obligation of the person having the power to remove the Trustee, including that person's obligation of support.



## **Article Thirteen General Provisions**

### **Section 13.01 Maximum Term for Trusts**

Notwithstanding any other provision of this agreement to the contrary, unless terminated earlier under other provisions of this agreement, each trust created under this agreement is subject to the Nevada Rule Against Perpetuities under Section 111.1031 of the Nevada Revised Statutes.

At that time, the remaining trust property will vest in and be distributed to the persons entitled to receive mandatory distributions of the trust's net income, in the same proportions. If no beneficiary is entitled to mandatory distributions of net income, the remaining trust property will vest in and be distributed to the beneficiaries entitled to receive discretionary distributions of the trust's net income, in equal shares *per stirpes*.

### **Section 13.02 Spendthrift Provision**

No beneficiary may assign, anticipate, encumber, alienate, or otherwise voluntarily transfer the income or principal of any trust created under this trust. In addition, neither the income nor the principal of any trust created under this trust is subject to attachment, bankruptcy proceedings or any other legal process, the interference or control of creditors or others, or any involuntary transfer.

This Section does not restrict a beneficiary's right to disclaim any interest or exercise of any power of appointment granted in this trust. In addition, this Section does not limit the ability of a Trustee to appoint property in further trust for any beneficiary.

### **Section 13.03 Contest Provision**

If any person attempts to contest or oppose the validity of this trust or any amendment to this trust, or commences, continues, or prosecutes any legal proceedings to set this trust aside, then that person will forfeit his or her share, cease to have any right or interest in the trust property, and will be considered to have predeceased the last of us to die for purposes of this instrument.

### **Section 13.04 Survivorship Presumption**

If we die under circumstances in which the order of our deaths cannot be established, each of us will be considered to have predeceased the other and each Grantor's interest in any community property of our trust, and each Grantor's separate trust property will be administered as provided in Section 7.05 for administering the remaining property in the Survivor's Trust upon death of the surviving Grantor.

If any other beneficiary is living at the death of a Grantor, but dies within 30 days after the Grantor's death, then the beneficiary will be considered to have predeceased the Grantor for purposes of this trust.

### **Section 13.05 Divorce or Annulment**

If our marriage ends by divorce or annulment, each of us will be considered to have predeceased the other for purposes of this trust, so that our respective property interests are not used for the benefit of the other.

### **Section 13.06 Changing the Governing Law and Situs of Administration**

At any time, our Trustee may change the governing law of the trust; change the situs of the administration of the trust; and remove all or any part of the property from one jurisdiction to another. Our Trustee may elect, by filing an instrument with the trust records, that the trust will then be construed, regulated, and governed by the new jurisdiction's laws. Our Trustee may take action under this Section for any purpose our Trustee considers appropriate, including the minimization of any taxes in respect of the trust or any trust beneficiary.

If considered necessary or advisable by our Trustee, our Trustee may appoint a Trustee to serve as Trustee in the new situs.

If necessary and if our Trustee does not appoint a Trustee within 30 days of our Trustee's action to change the governing law or situs of the trust, the beneficiaries entitled to receive distributions of the trust's net income may appoint a corporate fiduciary in the new situs by majority consent. If a beneficiary is a minor or is incapacitated, the beneficiary's parent or Legal Representative may act on the beneficiary's behalf.

### **Section 13.07 Definitions**

For purposes of this trust, the following terms have these meanings:

#### **(a) Adopted and Afterborn Persons**

A person in any generation who is legally adopted before reaching 18 years of age and his or her descendants, including adopted descendants, have the same rights and will be treated in the same manner under this trust as natural children of the adopting parent. A person is considered legally adopted if the adoption was legal at the time when and in the jurisdiction in which it occurred.

A fetus *in utero* later born alive will be considered a person in being during the period of gestation.

#### **(b) Available GST Exemption**

The deceased Grantor's *Available GST Exemption* means the GST exemption provided in Internal Revenue Code Section 2631 in effect at the deceased Grantor's death; reduced by the aggregate of:

any amount of GST exemption allocated to the deceased Grantor's lifetime transfers, including those allocations made at the time of the deceased Grantor's death by the deceased Grantor's Personal Representative, by the deceased Grantor's Trustee, or by operation of law; and

any amount allocated to direct-skip persons as defined in Internal Revenue Code Section 2612(c)(1) that does not qualify for an exclusion from the generation-skipping transfer tax occurring at the deceased Grantor's death to or for the benefit of the deceased Grantor's descendants.

At the time of the deceased Grantor's death, if the deceased Grantor has made a lifetime transfer to a trust with an inclusion ratio of greater than zero but have not filed a gift tax return and the due date for the gift tax return has not yet passed, the deceased Grantor's Available GST Exemption will also be reduced so that the trust inclusion ratio is zero, in order to exempt the transfer from generation-skipping transfer tax.

**(c) Descendants**

The term *descendants* means persons who directly descend from a person, such as children, grandchildren, or great-grandchildren. The term *descendants* does not include collateral descendants, such as nieces and nephews.

**(d) Education**

The term *education* is intended to be an ascertainable standard under Internal Revenue Code Sections 2041 and 2514 and includes:

enrollment at private elementary, junior, and senior high school, including boarding school;

undergraduate and graduate study in any field at a college or university;

specialized, vocational, or professional training or instruction at any institution, as well as private instruction; and

any other curriculum or activity that our Trustee considers useful for developing a beneficiary's abilities and interests including athletic training, musical instruction, theatrical training, the arts, and travel.

The term *education* also includes expenses such as tuition, room and board, fees, books, supplies, computers and other equipment, tutoring, transportation, and a reasonable allowance for living expenses.

**(e) Good Faith**

For the purposes of this trust, a Trustee has acted in good faith if:

an action or inaction is not a result of intentional wrongdoing;

the Trustee did not make the decision to act or not act with reckless indifference to the beneficiaries' interests; and

an action or inaction does not result in an improper personal benefit to the Trustee.

Further, all parties subject to the provisions of this trust will treat any action or inaction made in reliance on information, consent, or directions received from the Personal Representative of each of our estates as made in good faith for the purposes of this Section, except for cases of willful misconduct or malfeasance on the Trustee's part.

**(f) Grantor**

*Grantor* has the same legal meaning as *Settlor*, *Trustor* or any other term referring to the maker of a trust.

**(g) Incapacity**

Except as otherwise provided in this trust, a person is considered incapacitated in any of the following circumstances.

**(1) The Opinion of Two Licensed Physicians**

An individual is considered to be incapacitated whenever two licensed physicians give the opinion that the individual is unable to effectively manage his or her property or financial affairs, whether as a result of age; illness; use of prescription medications, drugs, or other substances; or any other cause. If an individual whose capacity is in question refuses to provide necessary documentation or otherwise submit to examination by licensed physicians, that individual will be considered incapacitated.

An individual is considered restored to capacity whenever the individual's personal or attending physician provides a written opinion that the individual is able to effectively manage his or her property and financial affairs.

**(2) Court Determination**

An individual is considered incapacitated if a court of competent jurisdiction has declared the individual to be disabled, incompetent, or legally incapacitated.

**(3) Detention, Disappearance, or Absence**

An individual is considered to be incapacitated whenever he or she cannot effectively manage his or her property or financial affairs due to the individual's unexplained disappearance or absence for more than 30 days, or whenever he or she is detained under duress.

An individual's disappearance, absence, or detention under duress may be established by an affidavit of our Trustee, or by the affidavit of any beneficiary if no Trustee is then serving. The affidavit must describe the circumstances of

the individual's disappearance, absence, or detention, and may be relied upon by any third party dealing in good faith with our Trustee.

**(h) Include, Includes, Including**

In this document, the words include, includes, and including mean include without limitation, includes without limitation and including without limitation, respectively. Include, includes, and including are words of illustration and enlargement, not words of limitation or exclusivity.

**(i) Income Beneficiary**

The term *Income Beneficiary* means any beneficiary who is then entitled to receive distributions of the trust's net income, whether mandatory or discretionary.

Unless otherwise provided in this trust, the phrase *majority of the Income Beneficiaries* means any combination of Income Beneficiaries who would receive more than 50% of the accrued net income if that income were distributed on the day of a vote. For purposes of this calculation, beneficiaries who are eligible to receive discretionary distributions of net income receive the imputed income in equal shares.

References to a *majority* refer to a majority of the entire trust collectively until our Trustee allocates property to separate trusts or trust shares. After our Trustee allocates property to separate trusts or trust shares, references to a *majority* refer to a majority of each separate trust or trust share.

**(j) Income in Respect of a Decedent (IRD)**

The term *income in respect of a decedent* (IRD) means income received after a decedent's death that would have been taxable to the decedent if the income had been received by the decedent during the decedent's lifetime. For example, payments under qualified retirement plans and other deferred compensation arrangements are IRD. For purposes of this trust, IRD means any income that would be classified as IRD under Internal Revenue Code Section 691(a).

**(k) Internal Revenue Code and Treasury Regulations**

References to the *Internal Revenue Code* or to its provisions are to the Internal Revenue Code of 1986, as amended, and any corresponding Treasury Regulations. References to the *Treasury Regulations*, are to the Treasury Regulations under the Internal Revenue Code in effect. If a particular provision of the Internal Revenue Code is renumbered or the Internal Revenue Code is superseded by a subsequent federal tax law, any reference is considered to be made to the renumbered provision or to the corresponding provision of the subsequent law, unless to do so would clearly be contrary to our intent as expressed in this trust. The same rule applies to references to the Treasury Regulations.



**(l) Legal Representative or Personal Representative**

As used in this trust document, the term *Legal Representative* or *Personal Representative* means a person's guardian, conservator, executor, administrator, Trustee, attorney in fact under a Durable Power of Attorney, or any other person or entity representing a person or the person's estate. In the case of a minor beneficiary, the beneficiary's parent or another adult with custody of the beneficiary, except for any transferor to a trust created under this instrument, will be considered the beneficiary's Legal Representative for purposes of this trust.

**(m) Per Stirpes**

Whenever a distribution is to be made to a person's descendants *per stirpes*, the distribution will be divided into as many equal shares as there are then-living children and deceased children who left then-living descendants. Each then-living child will receive one share, and the share of each deceased child will be divided among the deceased child's then-living descendants in the same manner.

**(n) Permissible Distributee**

"Permissible Distributee" means a beneficiary who is currently eligible to receive distributions of trust income or principal, whether the distribution is mandatory or discretionary.

**(o) Primary Beneficiary**

The *Primary Beneficiary* of a trust created under this trust is that trust's oldest Income Beneficiary, unless some other individual is specifically designated as the Primary Beneficiary of that separate trust.

**(p) Qualified Retirement Benefits**

The term *qualified retirement plan* means a plan qualified under Internal Revenue Code Section 401, an individual retirement arrangement under Section 408 or Section 408A, or a tax-sheltered annuity under Section 403. The term *qualified retirement benefits* means the amounts held in or distributed pursuant to a plan qualified under Section 401, an individual retirement arrangement under Section 408 or Section 408A, a tax-sheltered annuity under Section 403, or any other benefit subject to the distribution rules of Section 401(a)(9).

**(q) Shall and May**

Unless otherwise specifically provided in this trust or by the context in which used, we use the word *shall* in this trust to impose a duty, command, direct, or require, and the word *may* to allow or permit, but not require. In the context of our Trustee, when we use the word *shall* we intend to impose a fiduciary duty on our Trustee. When we use the word *may* we intend to empower our Trustee to act with the Trustee's sole and absolute discretion unless otherwise stated in this trust. When we use the words *may not* in



reference to our Trustee, we specifically mean our Trustee *is not permitted to*.

**(r) Trust**

The terms *this trust*, *this document*, *instrument*, and *this trust document* refer to this trust and all trusts created under the terms of this trust.

**(s) Trustee**

The terms *our Trustee* and *Trustee* refer to the Initial Trustees named in Article One and to any successor, substitute, replacement, or additional person, corporation, or other entity that ever acts as the Trustee of any trust created under the terms of this trust. The term *Trustee* refers to singular or plural as the context may require.

**(t) Trust Property**

The term *trust property* means all property acquired from any source and held by a Trustee under this trust.

**Section 13.08 General Provisions and Rules of Construction**

The following general provisions and rules of construction apply to this trust.

**(a) Multiple Originals; Validity of Paper or Electronic Copies**

This trust may be executed in any number of counterparts, each of which will be considered an original.

Any person may rely on a paper or electronic copy of this trust that the Trustee certifies to be a true copy as if it were an original.

**(b) Singular and Plural; Gender**

Unless the context requires otherwise, singular words may be construed as plural, and plural words may be construed as singular. Words of one gender may be construed as denoting another gender as is appropriate within the context. The word *or*, when used in a list of more than two items, may function as both a conjunction and a disjunction as the context requires.

**(c) Headings of Articles, Sections, and Subsections**

The headings of Articles, Sections, and Subsections used within this trust are included solely for the convenience of the reader. They have no significance in the interpretation or construction of this trust.

**(d) Governing State Law**

This trust is governed, construed, and administered according to the laws of Nevada, as amended except as to trust property required by law to be governed by the laws of another jurisdiction and unless the situs of administration is changed under Section 13.06.

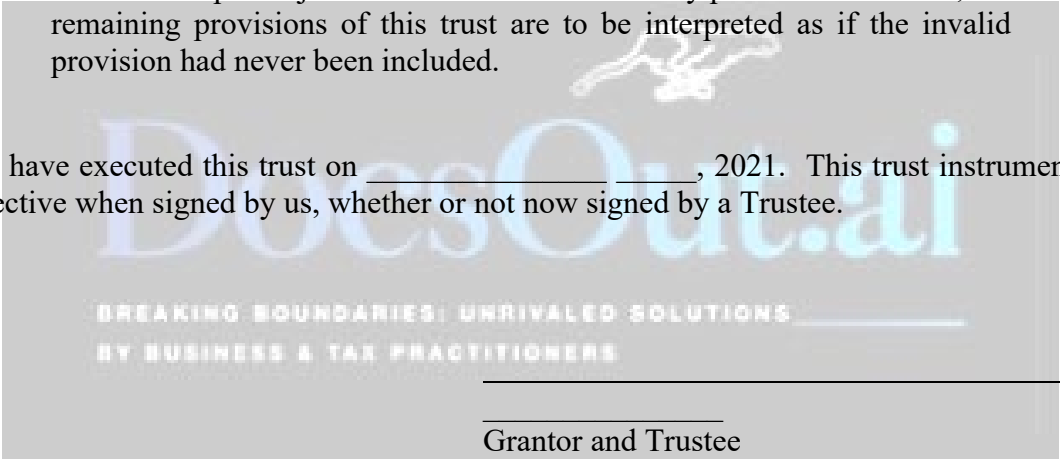
**(e) Notices**

Unless otherwise stated, any notice required under this trust will be in writing. The notice may be personally delivered with proof of delivery to the party requiring notice and will be effective on the date personally delivered. Notice may also be mailed, postage prepaid, by certified mail with return receipt requested to the last known address of the party requiring notice. Mailed notice is effective on the date of the return receipt. If a party giving notice does not receive the return receipt but has proof that he or she mailed the notice, notice will be effective on the date it would normally have been received via certified mail. If the party requiring notice is a minor or incapacitated individual, notice will be given to the parent or Legal Representative.

**(f) Severability**

The invalidity or unenforceability of any provision of this trust does not affect the validity or enforceability of any other provision of this trust. If a court of competent jurisdiction determines that any provision is invalid, the remaining provisions of this trust are to be interpreted as if the invalid provision had never been included.

We have executed this trust on \_\_\_\_\_, 2021. This trust instrument is effective when signed by us, whether or not now signed by a Trustee.



\_\_\_\_\_  
Grantor and Trustee

\_\_\_\_\_  
Grantor and Trustee

STATE OF NEVADA )  
 ) ss.  
COUNTY OF CLARK )

This instrument was acknowledged before me on \_\_\_\_\_, 2021, by \_\_\_\_\_, as Grantor and as Trustee, and \_\_\_\_\_, as Grantor and as Trustee.

[Seal]

\_\_\_\_\_  
Notary Public  
My commission expires: \_\_\_\_\_



# Schedule A

## BANK ACCOUNTS AND INVESTMENTS

Name	Comments	Account Number

## REAL PROPERTY

Address	Parcel Number	Description

## STOCKS AND BONDS

Name	Comments	Account Number

## LIFE INSURANCE

Name	Comments	Type and Coverage

THE \_\_\_\_\_ TRUST

## Schedule B

Listed below are additional assets belonging to the Grantors, not transferred into THE \_\_\_\_\_ TRUST but may designate the trust as beneficiary or contingent beneficiary.

### RETIREMENT PLANS

Name	Account Type	Account No.

### VEHICLES

Year	Make	Model	Comments

DoesOut.ai  
BREAKING BOUNDARIES: UNRIVALED SOLUTIONS  
BY BUSINESS & TAX PRACTITIONERS