

JANE DOE (“JANE”) Spousal Lifetime Access Irrevocable Trust 2022

DURING JANE'S LIFETIME:

Lifetime gift(s) of assets to the trust (funding to be discussed) →

JANE DOE 2022 IRREVOCABLE TRUST

- Designed to hold lifetime gifts of various assets.
- Your husband John is the initial trustee. If John cannot serve, your brother Jeffrey, then ABC Bank, in that order, will serve as successor trustees. If they all fail or cease to serve, then a corporate trustee will be appointed.
- Trustees may distribute income or principal in the trustees' discretion for the health, education, support and maintenance of John.
- Upon Jane's death, the assets of the trust will be held in the Family Trust (discussed below). If any portion of the assets are included in Jane's taxable estate, those assets will be held in the Marital Trust (discussed below).
- The assets of this trust will not be subject to estate tax at Jane's death or John's death if funded and administered properly during Jane's lifetime.

AT JANE'S DEATH (if John survives Jane):

NO ESTATE TAX

All assets of the irrevocable trust will be held in the Family Trust (except assets included in Jane's taxable estate, if any*)

Only those assets of the irrevocable trust, if any, included in Jane's taxable estate

*A Marital Trust will be created only to the extent that any assets in the irrevocable trust are included in Jane's estate. If funded and administered properly during Jane's lifetime, a Marital Trust should not be needed.

FAMILY TRUST

- Your husband John is the initial trustee. If John cannot serve, your brother Jeffrey, then ABC Bank, in that order, will serve as successor trustees. If they all fail or cease to serve, then a corporate trustee will be appointed.
- Trust continues for the benefit of John and your children with distributions of income or principal during John's lifetime in the trustees' discretion for the health, education, support, and maintenance of John and your children. If an independent trustee is serving, distributions may be made to John and your children for any reason in the independent trustee's sole and absolute discretion. Distributions to your children must be made equally (e.g., if a distribution were made to a child, equal distributions must be made to your other two children).
- Upon John's death, subject to his power to alter the disposition at his death among your descendants, the trust is divided into equal shares for your children, with a deceased child's share further divided among his or her descendants, per stirpes, and held in trust for multiple generations under the terms of the Trusts for Descendants.

MARITAL TRUST*

- Your husband John is the initial trustee. If John cannot serve, your brother Jeffrey, then ABC Bank, in that order, will serve as successor trustees. If they all fail or cease to serve, then a corporate trustee will be appointed.
- Trust continues for John's lifetime with mandatory income and principal in the trustees' discretion for John's health, education, support, and maintenance. If an independent trustee is serving, distributions may be made to John for any reason in the independent trustee's sole and absolute discretion.
- Upon John's death, subject to his power to alter the disposition at his death among your descendants, the remaining trust assets are added to and distributed in accordance with the terms of the Family Trust.

AT JOHN'S DEATH (or at Jane's death if John does not survive Jane):

Portion covered by GST exemption allocated at the time of the lifetime gift is added to **GST Exempt share** and balance, if any, is added to **GST Nonexempt share**

TRUSTS FOR DESCENDANTS (GST Nonexempt)

–GST nonexempt portion subject to estate tax and a general power to appoint any nonexempt share to the creditors of the beneficiary's estate at each beneficiary's death; otherwise identical terms as the GST exempt portion.

TRUSTS FOR DESCENDANTS (GST Exempt)

- GST exempt portion not subject to estate tax at each beneficiary's death.
- Trustee is your brother Jeffrey. If Jeffrey fails or ceases to serve, ABC Bank will serve as successor trustee. If they both fail or cease to serve, then an independent trustee will be appointed. When a descendant attains age 35, he or she may serve as co-trustee of his or her own trusts, together with the then serving trustee. When a descendant attains age 40, he or she may serve as sole trustee of his or her trusts and remove and appoint an independent trustee or co-trustee, if desirable.
- Income or principal from each beneficiary's share may be distributed to or for such beneficiary during his or her lifetime in the trustees' discretion for the beneficiary's health, education, support and maintenance. If an independent trustee is serving, distributions may be made to such beneficiary for any reason in the independent trustee's sole and absolute discretion.
- Upon a beneficiary's death, subject to his or her limited power to appoint assets among your other descendants, his or her trust is divided into shares for his or her descendants, or if none, for your descendants, and held in further trust for multiple generations under the terms of this trust. If none of your descendants are living, the remaining trust assets are distributed in equal shares to John's siblings and Jane's siblings.