

Kurt's Explanation of the Trust

Section 6

When both of us have died, this section indicates what is to be done with our 2 houses and what is to be done with our "Tangible Property". Tangible property is all the rest of our stuff – our cars, our furniture, our jewelry, our appliances, our artwork, our kitchen utensils, etc. Tangible means things you can touch with your hands.

Section 7, 8, 9

When one of us has died, there is created a "Marital Trust" and possibly a "Credit Shelter Trust". I think that we will only need the "Marital Trust". The "Credit Shelter Trust" is only important if we have 10 million dollars. This relates to estate taxes determined by the federal government. We should not have to pay estate taxes.

Section 10

When both of us have died, this section indicates what is to be done with our money that is left in bank accounts and investments.

Section 11

This section describes what to do if there are no beneficiaries alive. That is, any of the beneficiaries that we have mentioned in the Trust document. This section says that any money or property like this will be divided $\frac{1}{2}$ to Kurt's family and $\frac{1}{2}$ to Nary's family, even remote relatives, like cousins and second cousins. We do not want this to happen, so we must be more specific about who will inherit if a beneficiary or descendants are no longer living.

Section 6

When both of us have died, this section indicates what is to be done with our 2 houses and what is to be done with our “Tangible Property”. Tangible property is all the rest of our stuff – our cars, our furniture, our jewelry, our appliances, our artwork, our kitchen utensils, etc. Tangible means things you can touch with your hands.

Section 6.01 - Specific Distribution to Rayna Mulyawan Halim and Michael Levi Mulyawan Halim Upon the Death of the Both of Us

This section indicates what to do with our Woodland Park house after we both have died.

This is what the Trust document says now:

At the time both of us have died, our Woodland Park House is given to Rayna and Levi 50%/50%

If Rayna has died,
 then her share is given to her children in equal amounts
 If Rayna has no living children,
 then her share is given to Levi or his descendants

If Levi has died,
 then his share is given to his children in equal amounts
 If Levi has no living children,
 then his share is given to Rayna or her descendants

If both Rayna and Levi have died and neither has living children,
 then Section 11 says that the house will go $\frac{1}{2}$ to Kurt distant relatives and $\frac{1}{2}$ to Nary distant relatives

Suggested change to this:

At the time both of us have died, our Woodland Park House is given to Rayna and Levi 50%/50%

If Rayna has died,
 Then her share is given to her children in equal amounts
 If Rayna has no living children,
 then her share is given to Levi or his descendants

If Levi has died,
 Then his share is given to his children in equal amounts
 If Levi has no living children,
 then his share is given to Rayna or her descendants

If Rayna and Levi have died and neither has living descendants, then our Woodland Park house is given to Rika or her descendants

If Rika has died and has no living descendants, then our Woodland Park house is given to Dion or his descendants

If Dion has died and has no living descendants, then our Woodland Park house is given to Andy or his descendants

If Andy has died and has no living descendants,
then Section 11 says that the Woodland Park house will go $\frac{1}{2}$ to Kurt distant
relatives and $\frac{1}{2}$ to Nary distant relatives

Section 6.02 - Specific Distribution to Davida Wegner Upon the Death of the Both of Us

At the time both of us have died, our Hyannis House or its value is given to Davida

If Davida has died,
then her share is given to Heather or her descendants

If Heather has died and has no living children,
then there is a section of the Trust that describes what to do when there are no beneficiaries who are living

Suggested change to this:

If Davida has died,
then her share is given to her descendants Ruby and Lily

If Davida has died and has no living descendants, then the distribution continues with Wegner family:

Davida → Ruby and Lily → Heather and her descendants → Shawnine and her descendants → return to trust

Section 6.03

Distribution of Tangible Personal Property by Memoranda

We will write a paper that gives specific gifts to specific people. For example, jewelry, cars, furniture.

Section 6.04

Distribution of Remaining Tangible Personal Property

Change this to pass to descendants. Or provide clarity in the memoranda.

Section 7

Creation of Trust Shares Upon the Death of a Grantor

When either of us die, let's assume that Kurt dies first. Then Nary will take all of Kurt's trust property and divide it into a "Marital Share" and a "Non-Marital Share". This takes into account estate taxes.

The "Marital Share" is added to the "Marital Trust" and follows Section 8. The "Non-Marital Share" is added to the "Credit Shelter Trust" and follows Section 9.

Section 8

The Marital Trust

The surviving spouse, Nary, has complete authority to amend the Marital Trust, this must be done in writing, so Meg must be hired to amend.

There will be a main share of the Marital Trust and a separate share of the Marital Trust.

Nary will receive IRA portion and this is to be held in separate bank account until Nary dies. But Nary cannot amend this separate IRA share. This allows the separate share to qualify as a designated beneficiary under qualified retirement plans. Nary may transfer from the separate to the main share of the Marital Trust at any time. For example, minimum required distributions. Nary may remove money at any time, at least monthly from either main or separate share of the Marital Trust.

Marital Trust becomes irrevocable at death of Nary. Davida shall distribute it according to Section 10

Section 9

The Credit Shelter Trust

The purpose is to provide for the well-being of surviving spouse, Nary, Preservation of principal is secondary (for the purpose of legacy distribution).

If Nary remarries or common law without nuptial agreement then Credit Shelter Trust terminates and Section 10 distribution occurs!!!

If there is pre-nuptial agreement then there sufficient protection for the other beneficiaries (Davida, Rayna, Levi) so it will not terminate. So if Nary dies

before new husband, new husband gets none of the trust and it is distributed to Davida, Rayna and Levi according to Section 10.

See article about "Credit Shelter Trusts". I think we do not have enough money for this to be useful.

Section 10

Distribution to Our Beneficiaries

Regarding Davida:
60% Davida

If Davida Wegner is deceased, our Trustee shall distribute
40% of her share to Ruby and Lily and descendants
12.5% of her share to Rayna Mulyawan Halim,
12.5% of her share to Michael Levi Mulyawan Halim
10% of her share to Shawnine Lee Franco,
2% of her share to Jared Nathaniel Flynn,
3% of her share to Kayla Mulywan,
2% of her share to Ryan Mulywan,
2% of her share Justin Mulywan,
2% of her share Akemi Joy Lund,
2% of her share Matthew Takashi Nakamura,
2% of her share Keiko Laura Nakamura,
10% of her share equally to the listed charities in this Article.
If there are
no other named beneficiaries our Trustee shall distribute the remaining property
as
provided in Article Eleven.

Regarding Rayna:
10% Rayna
If Rayna deceased then to her descendants
If no descendants then split Davida and Levi
If neither has descendants then Article 11

Regarding Levi:
10% Levi
If Levi deceased then to her descendants
If no descendants then split Davida and Rayna
If neither has descendants then Article 11

Regarding Heather:
1.5%
If Heather deceased then to her descendants
If no descendants then split among Niece, Nephew, Friends
If none, then Article 11

Same Heather, Jared, Shawnine, Akemi, Matthew, Keiko, Kayla, Ryan, Justin

Section 11

Remote Contingent Distribution

$\frac{1}{2}$ to Kurt and $\frac{1}{2}$ to Nary's according to Colorado law
as if Kurt and Nary died without making a will

