1. [1] Trust

[2]

[1] Trust

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[1] Trust

**THIS IRREVOCABLE TRUST AGREEMENT** has been entered into effective [2] and is by and between [3.A.] and [3.B.] (collectively, the *“Grantors”* and, individually, a *“Grantor”*), and the [4] Private Family Trust Company, LLC, a close Wyoming LLC, as (which, along with its successors, is referred to in this instrument as the *“Trustee”*).

Capitalized terms, words, and phrases have the meaning first used or given in this instrument or as defined in Section 12.05. The terms *“Section”* and *“Sections”* refer to the Sections in this instrument. The terms § and §§ refer, generally, to statutes.

# Establishing the Trust

This agreement creates a *“qualified spendthrift trust”* under W.S. §4-10-510 and is governed by the laws of Wyoming, as set forth in Section 12.06(d). The terms of this instrument prevail over any provision of Wyoming law, except those provisions that are mandatory and may not be waived.

In accordance with W.S. §4-10-510, the interest of each beneficiary in a trust created under this instrument is held in a *“spendthrift trust”* under W.S. §4-10-502(b) and is not subject to voluntary or involuntary transfers as more fully set forth in Sections 1.05 and 12.02.

The terms of each trust created under this instrument provide that the Trustee, as provided in Section 6.01 and Section 7.02 of this instrument, may only make discretionary distributions to a beneficiary; thus, a creditor or assignee of the beneficiary may not compel the trustee to distribute any income or principal, or both, from the trust or reach or attach any interest of the beneficiary unless and until a distribution is received by the beneficiary. Further, W.S. §4-10-504(g) provides in this context that no beneficiary under a trust created by this instrument has a property interest or any enforceable right to a distribution.

## Identifying the Trust

A trust created under this instrument may be referred to as *“[4] Private Family Trust Company, LLC, Trustee of the [1] Trust, as amended.”*

For the purpose of transferring property to or identifying a trust, any description referring to this instrument, or the particular trust, shall be effective if it reasonably identifies the trust; further, any description containing the date of the trust, the name of the Trustee and an indication that the Trustee is holding property in a fiduciary capacity identifies the trust.

## Reliance by Third Parties

Third parties may require documentation to verify the existence of all or some portion of a trust. To protect the confidentiality of this instrument, the Trustee may use an affidavit or a certification that identifies the Trustee and sets forth the authority of the Trustee to transact business in lieu of providing a copy of this instrument. The affidavit or certification may include pertinent pages from this instrument.

A third party may rely on an affidavit or certification of trust signed by the Trustee as to the representations contained in the affidavit or certification and shall be exonerated from liability for actions taken or failed to be taken in reliance on the representations presented.

A third party dealing with the Trustee shall not be required to inquire into the terms of this instrument, the authority of the Trustee. The receipt from the Trustee for any money or property paid, transferred, or delivered shall be a discharge to the person or persons paying, transferring, or delivering the money or property from all liability in connection with its application.

A written statement by the Trustee is conclusive evidence of the Trustee’s authority.

Third parties are not liable for any loss resulting from reliance on a written statement by the Trustee asserting authority or seeking to effectuate a transfer of property to or from trust.

## Irrevocable Trust

The initial trust established under this instrument is irrevocable as set forth in W.S. §4-10-510(a)(iv) and no beneficiary or any other person may alter, amend, revoke, or terminate it in any way. Except as specifically provided in this instrument, any further trusts established under this instrument are also irrevocable and no beneficiary or any other person has any right to alter, amend, revoke, or terminate such a trust in whole or in part. No beneficiary or any other person has the right, acting alone or in conjunction with any other person or persons, to consent to, participate in, or be consulted in connection with any alteration, amendment, revocation, or termination of this instrument or any trust established under this instrument.

## Transfers to Trust

The property listed in attached Schedule A shall be held on the terms and conditions set forth in this instrument. No beneficiary retains any direct or indirect right, title, or interest (income, principal or otherwise) in property held under this instrument.

All property transferred to trust on execution of this instrument has been accepted by the Trustee and has been received under a *“Qualified Transfer,”* as defined and set forth in W.S. §§4-10-103(xxxiv) and W.S. 4-10-512, of *“Qualified Trust Property,”* as defined and set forth in W.S. §§4-10-103(a)(xxxvi) and 4-10-511. The Trustee may accept additional contributions of Qualified Trust Property in a Qualified Transfer. The current transfer of property has been made in express reliance on a written affidavit provided under W.S. §4-10-523 and all further transfers shall be subject to an affidavit provided under W.S. §4-10-523.

All contributed property is, shall be and remain subject to W.S. §§4-10-514 through 4-10-523, except that no affidavit has been provided or shall be required as to Qualified Property subject to W.S. §4-10-515.

The *“spendthrift provisions”* of W.S. §4-10-502 apply to all trusts established under this instrument, all as more fully set forth subsequently in this instrument and more particularly in Section 12.02; further, no beneficiary or any other person has any right to any property held by any trust established under this instrument.

All property transferred to trust after the date of this instrument must be acceptable to the Trustee, who may refuse to accept. The Trustee shall hold, administer, and dispose of all trust property for the benefit of the trust’s beneficiaries in accordance with the terms of this instrument.

## Statement of Intent

It is the intent of this instrument that assets transferred in trust be held for the benefit of beneficiaries on the terms and conditions set forth in this instrument. To maximize this benefit, the Trustee has broad discretion.

The specific objectives in executing this instrument include, but are not limited, to:

* Contributions to trust shall be treated as *“complete”* gifts for gift and estate tax purposes; however, irrespective of this, it should not be understood that any beneficiary has the ability to demand or vest trust assets in himself or herself or in that beneficiary’s estate; thus, under Wyoming law it is the intent of this instrument that (i) no beneficiary has an assignable interest since no beneficiary has an interest, property or otherwise, under this instrument; and (ii) all trusts and their assets are protected from attachment by the creditors of all beneficiaries;
* The interest of each beneficiary in the initial or any subsequent trusts established under this instrument are held subject to a *“spendthrift trust”* to accord with W.S. §4-10-502, as more fully set forth in Section 12.02 below, which shall be a restriction on the transfer by all beneficiaries of any interest in any trust created under this instrument that a beneficiary may have which is enforceable under applicable non-bankruptcy law within the meaning of §541(c)(2) of the Bankruptcy Code;
* This trust shall be a *“qualified spendthrift trust”* under W.S. §4-10-510;
* Trust assets shall not be or become subject to claims by any beneficiaries’ creditors, including spouses, ex-spouses, governmental agencies, third-party and judgment creditors, claimants under professional liability, others with as yet undefined claims, and all other claimants whose claims are not enforceable under the *“Wyoming Uniform Fraudulent Transfer Act,”* W.S. §§34-14-201, et. seq., and under the *spendthrift trust* section, W.S. §4-10-502; and
* Any interest under this instrument shall be free of the debts, contracts, claims, pledges, assignments, alienation, and anticipation of all beneficiaries and of those of the Trust Protector, the Trustee, and any person contributing to trust, and shall not be subject to any levy, attachment, execution, sequestration, or other process of law.

All provisions of this instrument are to be construed to accomplish these objectives. Any beneficiary has the right at any time to release, renounce or disclaim any right, power or interest that might be construed or deemed to defeat these objectives.

## Existing Obligations

Grantors do not intend to frustrate the rights of a creditor under Wyoming’s Uniform Fraudulent Transfer Act (W.S. §§34-14-201, et. seq.) by any transfer of assets to trust; therefore:

(a) As to any transfer of property that is adjudicated to be void or voidable as a fraudulent transfer under Wyoming law, the Trustee is directed to comply with the order of a court of competent jurisdiction with respect to the return or transfer of the property constituting the void or voidable transfer, together with any accretions, additions, or substitutions; however, the property to be returned or otherwise transferred must be limited to property:

* having a value not exceeding the amounts that are finally determined to be properly due and owing such creditor from the transferor; or
* with respect to which the transferor has voluntarily and not under an act of duress agreed to the payment or settlement.

(b) Despite anything in this instrument to the contrary, no payment shall be made by the Trustee unless at the time of payment the transferor is legally bound to pay the debt. The Trustee may not make any payment that is more than the lesser of:

* the amount of the property originally transferred by the transferor, together with any accretions, additions, or substitutions; or
* the maximum amount the Trustee must pay under Wyoming law.

(c) As to any transfer of property that is adjudicated to be void or voidable as a fraudulent transfer more than four years after the transfer, the Trustee must not return any property and must not otherwise pay or satisfy any claim of any creditor except as required under Wyoming law.

## Not a Grantor Trust

The intent of this instrument is that Grantors shall not henceforth maintain any liability for taxes on trust assets. All provisions of this instrument are to be construed to carry out this intent. Notwithstanding any provision of this instrument that may seem to be to the contrary, the following provisions apply.

### Power of Substitution

[[WealthDocs ANNOTATION]](http://www.wealthcounsel.com/WDAnnotation0005.aspx)  
This is hidden text and will not print.  
Click link to view annotation on website

[[WealthDocs ANNOTATION]](http://www.wealthcounsel.com/WDAnnotation0005.aspx)The Trust Protector (acting in a fiduciary capacity and only with the consent of an Adverse Party) may direct the Trustee to transfer trust property to either Grantor or both Grantors, jointly or otherwise, in exchange for property of equivalent value. This power may not be exercised so that either Grantor reacquires property that would cause an incident of ownership, as defined in IRC §2041, or with respect to any stock treated as voting stock under IRC §2036(b). This power may not be exercised in any manner that shifts benefits among beneficiaries. In consideration of these limitations:

* No provision in this agreement is to be construed in any manner that limits the Trustee’s power to reinvest trust corpus for the benefit of the beneficiaries; and
* The Trustee has a fiduciary duty to act impartially towards all trust beneficiaries.

This provision shall comply with Revenue Rulings 2008-22 and 2011-28.

### No Power to Borrow without Adequate Interest and Security

The Trust Protector (acting in a fiduciary capacity and only with the consent of an Adverse Party) may lend trust property to either Grantor or both Grantors with adequate interest and security. If exercised, the loan must specify the terms of borrowing and the amount borrowed.

(c) No Income or Principal Withdrawal Rights

No one has any withdrawal rights under this instrument. All distributions are subject to the absolute discretion of the discretionary distribution committee established under Article Four and exercised pursuant to either Section 6.01 or Section 7.02(a) or other provisions of this instrument (depending on which trusts are then being administered).

**(d) Release and Restoration of Powers**

The Trust Protector may release any power described in this Section at any time by delivering written notice to the Trustee. Release shall be effective on receipt unless a later effective date is specified. In no event may the Trust Protector release and restore any power within the same taxable year.

## Authorization to Reimburse for Income Tax Liability

Notwithstanding the provision of any state law to the contrary, no recipient of income under this instrument has any right to be reimbursed for income tax paid by the recipient on all or any part of a trust’s income. The discretionary distribution committee established under the authority of Article Four may from time to time distribute to a beneficiary, or elect to pay directly to the taxing authorities, so much of the income or principal of a trust as may be sufficient to satisfy all or part of the personal income tax liability attributable to the inclusion of all or part of the trust’s income in the taxable income of any beneficiary.

# Beneficiaries

The *"lifetime beneficiaries”* of the initial trust established under this instrument are the Grantors. On the death of all lifetime beneficiaries, the remainder beneficiary or beneficiaries, *by representation,* are:

**Name Relationship Date of Birth**

**[8.A.] Grantors’**

**[8.B.] Grantors’**

The lifetime and remainder beneficiaries may be referred to hereunder as *descendants.*

# Trustee Provisions

## Trustee Requirements

During any period in which any trust created under this instrument is domiciled in Wyoming, the office of Trustee must be filled by a *“Qualified Trustee,”* defined in W.S. §4-10-103(a)(xxxv) as

* A natural person who is a resident of Wyoming; or
* (B) A person authorized by Wyoming law to act as a trustee or a regulated financial institution which:

(I) Maintains or arranges for custody of Qualified Trust Property in Wyoming;

(II) Maintains records for the trust on an exclusive or nonexclusive basis;

(III) Prepares or arranges for preparation of trust fiduciary income tax returns; or

(IV) Otherwise materially participates in administration of the trust.

Neither Grantor, nor any natural person who is a nonresident of Wyoming, nor an entity that is not authorized by Wyoming law to act as a Qualified Trustee may serve as Trustee.

No person or entity named in this instrument or appointed to serve under the provisions of this instrument may serve as Trustee if that person or entity does not continue to meet the requirements set forth immediately above.

If a person or entity becomes an excluded person after service as Trustee has commenced, that person or entity shall immediately cease to serve as Trustee, and the vacancy shall be filled as otherwise provided in this Article.

## Trustee Resignation

A Trustee may resign by giving written notice to a Grantor. If both Grantors are incapacitated or deceased, a resigning Trustee shall give written notice to the Trust Protector if any is then serving. If no Trust Protector is then serving, a resigning Trustee shall give written notice to the Income Beneficiaries of the trust and to any other then-serving Trustee.

On resignation of a Trustee, the resigning Trustee may, concurrent with the written notice described above, appoint the resigning Trustee’s successor. If the resigning Trustee fails to make the appointment or if no named successor is able or willing to take the position of Trustee, the provisions of Section 3.03 shall govern.

## Trustee Succession

This Section governs the removal and replacement of the Trustees.

### Appointment of Successor Trustee

Subject to the provisions in Section 3.02, if the initial Trustee of any trust ceases to serve as Trustee, the Grantors shall name a successor. If one of the Grantors is unable or unwilling to act for any reason, the other Grantor shall appoint a Trustee.

### Default of Designation

If the office of Trustee of any trust is vacant and the Grantors are unable or unwilling to designate a Trustee who is willing to act, the Trust Protector (if any) may appoint an individual or corporate fiduciary to serve. If there is no then serving Trust Protector, the provisions of Section 5.02 apply.

Whomever acts must appoint an individual or corporate fiduciary as successor who is neither Related nor Subordinate to (i) the person or persons making the appointment, (ii) a Grantor or (iii) any beneficiary. Further, the successor must be a Qualified Trustee, as defined in Section 3.01.

In the case of a minor or incapacitated beneficiary, the parent, or Legal Representative, other than a Grantor, may act.

No excluded person, as defined in Section12.05(h), may serve as a Trustee.

Any beneficiary or the beneficiary’s Legal Representative 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 the appointment, the court does not acquire any jurisdiction over the trust, except to the extent necessary to make the appointment.

No Grantor may serve as Trustee under this instrument at any time.

## Trustee Removal by Trust Protector

The Trust Protector may remove and appoint any Trustee at any time.

## 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 Trustee. Notice shall be effective in accordance with its provisions.

## Corporate Fiduciaries

Any corporate fiduciary serving under this instrument as a Trustee must be a bank, private family trust company, trust company, or public charity that is qualified to act as a fiduciary under applicable law and that is not Related or Subordinate to any beneficiary. The initial private trust company serving hereunder is not required to meet this restriction.

No corporate fiduciary meeting the definition of an excluded person may serve as Trustee.

Any corporate fiduciary must:

* have a combined capital and surplus of at least Ten Million Dollars; or
* maintain in force a policy of insurance with policy limits of not less than Ten Million Dollars covering the errors and omissions of the Trustee with a solvent insurance carrier licensed to do business in the state in which the Trustee has its corporate headquarters; or
* have at least One Hundred Million Dollars in assets under management.

## Appointment of Independent Special Trustee

If for any reason the Trustee of any trust created under this instrument is unwilling or unable to act with respect to any trust property or any provision of this instrument, the Trust Protector shall appoint, in writing, a corporate fiduciary or an individual to serve as an Independent Special Trustee with respect to this property or provision. The appointed Independent Special Trustee must not be Related or Subordinate to any trust beneficiary. A Trust Protector then serving may revoke this appointment at any time.

No excluded person may serve as an Independent Special Trustee.

An Independent Special Trustee shall exercise all fiduciary powers granted by this instrument, unless expressly limited elsewhere in this instrument or by the Trust Protector. An Independent Special Trustee may resign at any time by delivering written notice to the Trust Protector or a Trustee. Notice shall be effective in accordance with the terms of the notice.

## Rights and Obligations of Successor Trustees

Each successor Trustee serving under this instrument shall have all titles, rights, powers, and privileges granted to the initial Trustee. In addition, each successor Trustee is subject to all restrictions imposed on, as well as all obligations and duties, both discretionary and ministerial, given the initial Trustee.

# Investment Advisor and Distribution Advisor Provisions

## Advisor

As used in this Article, *“Advisor”* refers to either or both the *“Investment Advisor”* and the *“Distribution Advisor”* as the context may require.

## Provisions for Investment Advisor

The purpose of the Investment Advisor is to separate investment decisions from other Trustee responsibilities. The Investment Advisor has broad and absolute discretion. Decisions made by the Investment Advisor are not subject to review except for willful neglect, willful misconduct, or bad faith on the part of the Investment Advisor. The Trustee has no responsibility to monitor the performance of any investment directed by the Investment Advisor.

### Trustee Powers Subject to Investment Advisor’s Direction

While an Investment Advisor is serving, the Trustee shall exercise all investment, voting and management powers only upon written instruction from the Advisor. Those powers include, but are not limited to, all powers relating to the acquisition, disposition, retention, exchange, change in character, lending, borrowing, pledging, mortgaging, managing, voting, leasing, insuring, abandoning, and granting options with respect to trust property.

### Trustee Action in Absence of Investment Advisor Direction

If an Investment Advisor is serving, the Trustee is not required to inquire into or monitor the investment of trust assets or the directions of the Investment Advisor.

If the Investment Advisor fails to provide written directions within 10 days of the Trustee’s written request for direction, the Trustee may exercise the power as though the Investment Advisor had provided the direction sought.

If there is no Investment Advisor serving, the Trustee may exercise all powers that would otherwise be subject to an Investment Advisor’s direction.

## Designation of Investment Advisor

The Trustee is appointed Investment Advisor and shall serve as a non-fiduciary in this capacity.

## Investment Advisor Powers

The Investment Advisor may, in the Advisor’s sole and absolute discretion, exercise any of the powers listed below either directly or by directing the Trustee to:

* invest and reinvest in any kind of property, real, personal, or mixed, and to retain any investments, indefinitely, even if the nature of the investment would not otherwise be a proper investment for a fiduciary;
* exercise any right as owner of any insurance policy, other than the right to change beneficiaries;
* sell or exchange any property and execute any documents necessary to facilitate the transfer;
* open any type of accounts in any domestic or foreign jurisdiction, specifically including, but not limited to, margin accounts at brokerage firms;
* rent or lease any real property interests and may subdivide and develop any real property in which the trust has an interest; and
* manage or grant mineral interests, including exploration and the right to mine or drill for and remove minerals for any period extending beyond the termination of every trust created under this agreement, and upon the terms specified by the Investment Advisor.

## No Diversification Standard Required

The Investment Advisor is not required to direct the Trustee to diversify trust investments. For purposes of determining diversification, investments held by any entity in which the trust owns an interest shall be deemed to be owned directly by the trust in accordance with the trust’s interest.

## Provisions for Distribution Advisor

The purpose of the Distribution Advisor is to separate decisions concerning distributions from the other responsibilities of the Trustee. The Advisor has the exclusive authority to direct, consent to or disapprove distributions. The Advisor’s authority is broad and absolute; further, decisions are not subject to review except for willful neglect or misconduct or bad faith on the part of the Advisor. The Trustee may not resist any decision to make or to withhold any distribution directed by the Advisor.

## Designation of Distribution Advisor

The Trustee is appointed Distribution Advisor and shall serve in a non-fiduciary in this capacity.

## Qualifications of Advisors

Any beneficiary may serve directly or through the Trustee as an Investment Advisor if the requirements set forth in W.S. §§4-10-712; however, no beneficiary may, either directly, indirectly, or through the Trustee, serve on the Distribution Committee. No person serving as Distribution Advisor may be Related or Subordinate to any beneficiary.

## Removal and Replacement of an Advisor

Grantors (or a Grantor if one is incapacitated, deceased or unwilling or unable to act) may jointly remove an Advisor with or without cause; provided a successor is appointed. If both Grantors are incapacitated, deceased, or unable or unwilling to act, the Trustee or a Trust Protector may remove an Advisor with or without cause; provided a successor is appointed.

## Notice of Resignation, Removal, and Appointment

An Advisor may resign by giving 30 days’ advance notice to a Grantor and the Trustee. By joint agreement, the Grantors (or a Grantor if one is incapacitated, deceased or unwilling or unable to act) may then appoint a successor to serve immediately upon appointment or as specified in the writing making the appointment. If neither Grantor is able or willing to appoint a successor, the Trustee may appoint a successor.

## Default Appointment of Advisor

If there is a vacancy in the position of an Advisor, the Trustee may appoint an Advisor in writing to serve according to the terms and conditions established in the writing.

If the Trustee does not appoint an Advisor and if the Trustee has received actual written notice of the vacancy of an Advisor, the Trustee shall have powers and authority otherwise granted to the Advisor under this instrument.

## Notice of Advisor’s Instructions

An Advisor is to provide information or directions to the Trustee in writing, by facsimile, by electronic mail or by telephone, or in any other form that the Trustee requests.

## Advisor Compensation

An Advisor is entitled to fair and reasonable compensation for services rendered and may be compensated according to the Advisor’s standard rates in effect for accounts of similar size and character or as otherwise agreed in writing. An Advisor may charge additional fees for services it provides that are beyond the ordinary scope of its duties. The Trustee shall pay any compensation due to an Advisor from trust property.

# Trust Protector Provisions

## Provisions for Trust Protector

The Trust Protector’s purpose is to direct the Trustee in matters concerning the trust and to assist in achieving those objectives expressed by the other provisions hereof. Any Trust Protector must be a corporate fiduciary or an individual who is not Related or Subordinate to any beneficiary and must not be an Adverse Party. No beneficiary or any person who has contributed to trust may serve as Trust Protector at any time under this instrument.

Notwithstanding any provision of this instrument that may seem to the contrary, descendants may not be appointed as a Trust Protector under any circumstances under this instrument.

## Designation of Trust Protector

The Income Beneficiaries of any trust created under this instrument by majority consent may appoint a corporate fiduciary or individual described in Section 3.06 or an attorney as Trust Protector at any time. When this instrument requires a Trust Protector to act and none is then serving, if a majority of the trust’s Income Beneficiaries fails to make an appointment after 30 days, any Trustee or beneficiary may petition a court of competent jurisdiction to appoint a Trust Protector.

The court acting to appoint a Trust Protector shall acquire jurisdiction or authority over the trust only to the extent necessary to make the appointment and may not subject the trust to the continuing jurisdiction of the court.

A minor or incapacitated beneficiary’s parent or Legal Representative may act on that beneficiary’s behalf.

For each power and authority granted to a Trust Protector in this instrument, unless the capacity is otherwise specifically stated, the Trust Protector's authority is conferred in a fiduciary capacity.

## Removal of a Trust Protector

Any Trust Protector may be removed for cause only as determined by a court of competent jurisdiction on the petition of any Trustee or beneficiary not acting under compulsion or any kind of duress. The court removing a Trust Protector may appoint one or more successor Trust Protectors to immediately replace the removed Trust Protector. The court acting to remove and replace a Trust Protector shall acquire jurisdiction or authority over the trust only to the extent necessary for the removal and replacement of the Trust Protector.

## Resignation of a Trust Protector

A Trust Protector may resign by giving written notice to a Grantor, the Income Beneficiaries of the trust and to the then-serving Trustee.

Resignation shall take effect on the date set forth in the notice, but not earlier than 30 days after the delivery date, unless an earlier effective date is agreed to by a Grantor or by the trust’s Primary Beneficiary. A resigning Trust Protector is not liable or responsible for the act of any successor Trust Protector.

## Incapacity of a Trust Protector

If any individual Trust Protector becomes incapacitated, the incapacitated Trust Protector need not resign as Trust Protector. Any then-serving Trust Protector or the immediately eligible successor Trust Protector may provide a written declaration that a Trust Protector is incapacitated.

The written declaration of incapacity shall terminate the Trust Protector’s service. If the Trust Protector designated in the written declaration objects in writing to termination of the Trust Protector’s service within 10 days of receiving the declaration of incapacity, a written opinion of incapacity signed by a physician who has examined the incapacitated Trust Protector must be obtained before the Trust Protector’s service shall be terminated. The Trust Protector must sign the necessary medical releases needed to obtain the physician’s written opinion of incapacity, or the Trust Protector’s service shall be terminated without the physician’s written opinion.

The provisions of Section12.05(k) govern the determination of a Trust Protector's incapacity and govern the Trust Protector's obligations to submit to examination and provide necessary releases.

## Authority of Successor Trust Protectors

Any successor Trust Protector has all the authority of any predecessor Trust Protector, but is not responsible for the predecessor’s acts, omissions, or forbearances.

## Trust Protector Standard of Conduct

The Trust Protector has no general duty to monitor or remain informed about the trust. Specifically, the Trust Protector has no duty to investigate the Trustee’s actions or inactions, to audit the trust’s books, to review the trust’s investments or to evaluate the trust portfolio’s performance, unless a trust beneficiary or some other interested party:

* files a written complaint with the Trust Protector alleging a breach of trust and detailing the matters the Trust Protector should investigate, audit, review, or evaluate; or
* requests an action that a Grantor has authorized the Trust Protector to perform.

If the Trust Protector possesses the power to direct, consent to or veto the actions of a Trustee described in the written complaint, the Trust Protector shall defer to the Trustee’s judgment except in those instances in which the Trust Protector can find no rational basis for the Trustee’s actions, omissions, or forbearances.

The Trust Protector shall only suffer liability for an omission or forbearance if:

* the trust suffers monetary loss and the Trust Protector made no reasonable inquiry when alerted that the Trustee might have breached the Trustee's fiduciary duties; or
* even if the Trust Protector made a reasonable inquiry, no other reasonable person would have failed to act against the Trustee under those circumstances.

If the Trust Protector chooses to direct, veto or consent to an action of the Trustee, the Trust Protector shall exercise the authority with the same degree of care, skill, competence, and good judgment that a Trustee would exhibit in exercising those powers.

## Indemnification of Trust Protector

Some persons or institutions may be reluctant to serve as Trust Protector without indemnification for potential liability. Therefore, the Trustee may expend trust assets to defend any claim brought against any Trust Protector, unless the Trust Protector is shown by clear and convincing evidence to have acted in bad faith, even if the cost of the Trust Protector's defense would exhaust the trust’s value. If any claim brought against a Trust Protector is successful and the Trust Protector is shown to have acted in bad faith, the Trustee may seek reimbursement from that Trust Protector using any legal or equitable means available to the Trustee for the value of any trust assets used to defend the Trust Protector.

Any Trust Protector is entitled to reimbursement from the trust estate for any expenses, including reimbursement for attorney’s fees and costs of litigation reasonably incurred to defend any claim brought against the Trust Protector, unless the Trust Protector is shown by clear and convincing evidence to have acted in bad faith. This must be done even if the cost of the Trust Protector’s defense would exhaust the trust’s value.

This Section applies to any currently serving Trust Protector and for claims brought against any former Trust Protector in connection with that Trust Protector’s acts, omissions or forbearances while serving as Trust Protector.

## Trust Protector Powers

Any Trust Protector named or appointed under the provisions of this instrument has the following powers and authorities.

### Power to Amend or Modify the Instrument

The Trust Protector may amend or modify this instrument as it applies to any trust over which the Trust Protector is serving. Notwithstanding any other provision of this instrument, the Trust Protector may not amend or modify any power or provision of the trust to expand the Trust Protector’s existing powers, authorities, or discretions. But the previous provision does not prevent the Trust Protector from making amendments to correct scrivener’s errors as to the Trust Protector’s powers, authorities, and discretions, or to amend the trust in any manner required for the sole purpose of ensuring that the powers, authorities, and discretions of the Trust Protector remain legally binding and valid under state and federal law.

Any amendment made by the Trust Protector shall be binding and conclusive on all persons interested in the trust unless the amendment is shown by clear and convincing evidence to have been made in bad faith by the Trust Protector. The Trust Protector may not be liable for any consequences of amending or not amending the trust. Any amendment must be made in writing and signed by the Trust Protector. The Trust Protector must deliver a copy of the amendment to the Income Beneficiaries and Trustees of the amended trust.

Specifically, and not in limitation of the Trust Protector’s general authority of modification or amendment, the Trust Protector may amend or modify this instrument as it applies to any trust over which the Trust Protector is serving as Trust Protector to add or modify terms of any trust created under this instrument so that the trust shall protect the financial resources governed by this instrument and comply with the intent that trust assets not be considered income or resources for all entitlement benefits from any government agency, such as Social Security Disability payments, Medicare, Supplemental Security Income (SSI), In-Home Support Service (IHSS), and any other special-purpose benefits for which the beneficiary is eligible.

### Power to Change the Governing Law and Situs of Administration

The Trust Protector may change the governing law of the trust, remove all or any part of the property or change administration situs from one jurisdiction to another.

### Power to Terminate a Trust

The Trust Protector may terminate any trust created under this instrument at any time as more specifically set forth in Section 10.18.

### Power to Decant a Trust

The Trust Protector may appoint the property subject to the Trustee’s power of distribution in trust for the benefit of one or more beneficiaries of any trust created under this instrument under the terms established by the Trust Protector, and as more specifically set forth in Section 10.02.

### Power to Remove and Appoint Trustees

The Trust Protector may remove any Trustee of any trust created under this instrument at any time, with or without cause. If the office of Trustee of a trust is vacant and no successor Trustee is effectively named, the Trust Protector may appoint an individual or a corporate fiduciary to serve. A Trust Protector may not appoint any then-serving Trust Protector as a Trustee.

If the Trust Protector removes a Trustee, notice must be made in writing and delivered to the Trustee being removed and any other then-serving Trustee. Removal shall be effective in accordance with the terms of the notice.

If one or more beneficiaries also hold the power to remove, replace, or remove and replace Trustees, the Trust Protector may veto any removal, appointment, or both made by any beneficiary.

### Power to Compel, Approve, or Reject Trustee Accountings

The Trust Protector may demand from time to time a written accounting from the Trustee, but not more often than quarter-annually. If the Trustee fails to account to the Trust Protector within 30 days of a written demand, the Trust Protector may institute appropriate legal actions on behalf of the beneficiaries to compel a full accounting and for other appropriate relief.

The Trust Protector must either approve or reject any accountings provided by any Trustee within 60 days after the Trustee provides the accounting. Failure to act by the Trust Protector within the 60-day period shall be treated as approval of the accounting. If the Trust Protector approves an accounting, the approval is binding on all other parties. If the Trust Protector rejects a Trustee's accounting, the Trust Protector must provide the Trustee with an explanation that adequately enables the Trustee to revise its accounting. The Trustee shall then present the revised accounting to the Trust Protector for approval or further revision, as necessary.

### Power to Construe the Terms of this Instrument

The Trust Protector shall settle all disputes concerning the interpretation of any provision contained in this instrument that arise from any perceived ambiguity. In doing so, the role of the Trust Protector is to ensure that the instrument is construed in a manner consistent with the objectives stated for the trust. The provisions of Section 12.03 govern this power.

### Executing Documents Denoting Authority

The Trust Protector may execute and deliver, and may direct any Trustee to execute and deliver, any documents necessary to carry out any power granted to the Trust Protector or the Trustee. All parties may rely on statements and documents made by the Trust Protector. No party is required to inquire into any statement or a document’s validity. If any conflict exists between assertions of authority made by the Trust Protector and the Trustee, assertions made by the Trust Protector shall control, and any assertion made by the Trustee shall be disregarded to the extent of the conflict.

The Trustee shall be under no obligation to review the actions of the Trust Protector under this Section and shall be an “excluded fiduciary” for purposes of W.S. §4-10-715 and shall not be liable for any resulting loss under W.S. §4-10-717.

## Limitation on Trust Protector Powers

A Trust Protector may not exercise any power or discretion in favor of the Trust Protector, for the Trust Protector's benefit, or for the benefit of any person to whom the Trust Protector is Related or Subordinate. The intent is that nothing in this instrument be construed in any manner that would cause the Trust Protector to possess a general power of appointment within the meaning of IRC §§2041 and 2514. This provision, however, does not prohibit the Trust Protector or any related party from receiving reasonable fees for services rendered to the Trust.

If the Trust Protector exercises any one of the powers granted in Sections 5.09(b), 5.09(c) or 5.09(d), the Trust Protector must direct that an amount of assets shall be left with the Trustee, sufficient in the Trustee’s discretion to cover an estimate of the reasonable claims, expenses, and taxes that the Trustee may incur in defending any anticipated claims or winding up the trust.

In exercising and considering whether to exercise any power granted to a Trust Protector under this instrument, the Trust Protector should make reasonable inquiry into any matter or seek any information that reasonably bear upon the Trust Protector’s decision to exercise the power.

## Trust Protector May Release Powers

Acting on behalf of itself and all successors, a Trust Protector may revocably or irrevocably release, renounce, suspend, or limit any power or discretion held by the Trust Protector.

## Trust Protector Considered to Have Consented

If any provision of this Article requires the consent or approval of a Trust Protector before a Trustee can act and the Trust Protector does not affirmatively deny consent in writing within 10 days of being notified in writing, the Trust Protector shall be considered to have given consent or approval for the Trustee’s proposed action.

## Trust Protector Compensation

Any Trust Protector serving under this instrument is entitled to receive reasonable compensation for services rendered, taking into consideration:

* the market rate for similar services in the jurisdiction in which the Trust Protector serves;
* the breadth and nature of the powers, authorities, and discretions granted to the Trust Protector;
* the amount of time the Trust Protector shall likely devote; and
* the trust property’s current value and the projected amount of appreciation.

The Trust Protector is entitled to reimbursement for all expenses incurred in the performance of the duties of Trust Protector, including reasonable travel expenses.

Serving in the capacity of Trust Protector does not prevent the Trust Protector from also providing legal, investment, or accounting services on behalf of the trust or beneficiaries. If the Trust Protector is providing professional services, the Trust Protector is entitled to charge its normal and customary fees in addition to the Trust Protector's ordinary compensation as Trust Protector.

## Right to Examine Trust Records

The books and records of each trust created under this instrument, including all documentation, inventories, and accountings, must be open and available for inspection by the Trust Protector at all reasonable times.

## Employment of Professionals

Any Trust Protector may appoint, employ, and remove Advisors, accountants, auditors, depositories, custodians, brokers, consultants, attorneys, advisors, agents, and employees to advise or assist in the performance of the Trust Protector’s duties. The Trust Protector may act on the recommendations of the persons or entities employed, with or without independent investigation.

The Trust Protector may reasonably compensate an individual or entity employed to assist or advise the Trust Protector, regardless of any other relationship existing between the individual or entity and the Trust Protector.

The Trust Protector may direct the Trustee to pay the usual compensation for services contracted for under this Section as the Trust Protector deems advisable. The Trust Protector may direct payment of compensation to an individual or entity employed to assist or advise the Trust Protector without diminishing the compensation to which the Trust Protector is entitled. A Trust Protector who is a partner, stockholder, officer, director, or corporate affiliate in any entity employed to assist or advise the Trust Protector may nonetheless receive the Trust Protector’s share of the compensation paid.

# Administration of Trust Property

The Trustee shall hold and administer all contributions to trust for the lifetime beneficiaries specified in Article Two as provided in this Article while a lifetime beneficiary is alive. For purposes of this Article, *“contribution”* has the meaning given in Section 6.03.

## Distribution of Income and Principal

All trust property shall be held for the lifetime beneficiaries in a single trust. The Distribution Advisor may direct the Trustee to distribute to any one or more lifetime beneficiaries as much of the net income and principal of the trust as the Advisor may determine advisable in its sole and absolute discretion; provided, however, that any distribution of “income” to a lifetime beneficiary shall be subject to the consent provisions described in the following paragraph. This discretionary distribution power has been adopted and shall be construed in accordance with W.S. §4-10-504. No other distributions are permitted.

Any distribution of trust property, whether income or principal, to a lifetime beneficiary, must also be approved by at least a majority of the other lifetime beneficiaries who are at least 18 years of age or the Legal Representative(s) of such lifetime beneficiaries who are minors or otherwise incapacitated. Neither a Grantor nor his or her spouse may serve as the Legal Representative of a lifetime beneficiary for purposes of this paragraph. The intent of this provision is to ensure that any distribution of principal or income or both to a lifetime beneficiary shall be subject to the approval of an Adverse Party. The consent powers described in this paragraph shall be held and exercisable in a non-fiduciary capacity.

### Unequal Distributions Authorized

The Trustee, at the Distribution Advisors direction and in the Distribution Advisor’s absolute discretion, may make distributions or allocations of income or principal to or for the benefit of any one or more lifetime beneficiaries to the complete exclusion of other beneficiaries and may make these distributions or allocations in equal or unequal amounts. Before making any distribution or allocation of income or principal, the Trustee may require a refunding agreement or may withhold any portion of the distribution or allocation until final determination or release of any claim or lien against a lifetime beneficiary.

### Allocation of Distributions to Lifetime Beneficiaries

If any distribution is made to or for the benefit of a lifetime beneficiary, the amount of the distribution shall be charged against the trust as a whole and not against any individual benefit that such lifetime beneficiary may ultimately receive.

### Renouncing Beneficial Rights

Any lifetime beneficiary may renounce that beneficiary’s designation as a lifetime beneficiary, except that there shall always be at least one lifetime beneficiary other the beneficiary to whom a distribution is proposed to be made to serve as an Adverse Party for the purposes identified in the first and second paragraphs of this Section 6.01. Any renunciation must be made by a written instrument delivered to the Trustee to be effective.

Undistributed net income is to be accumulated and added to principal.

## Guidelines for Distributions

When determining whether to authorize the Trustee to make any discretionary distributions to a lifetime beneficiary, the Distribution Advisor may consider such other sources of income or principal as are available to that beneficiary and as are known by the Distribution Advisor. Grantors acknowledge the possibility that the principal of the trust may be exhausted from such discretionary distributions.

## Definition of Contribution

For purposes of this Article, *“contribution”* means any cash or other assets transferred to the Trustee to be held as part of the trust funds in a manner that constitutes a completed gift for Federal gift tax purposes. The amount of a contribution is its federal gift tax value.

## Administration on Death of all Lifetime Beneficiaries

The Trustee shall, after the death of all lifetime beneficiaries, administer any remaining trust property as provided in the Articles that follow.

# Administration of Remaining Trust Property

The Trustee shall hold and administer all remaining trust property, after the death of all lifetime beneficiaries, as provided in this Article.

## Division into Trust Shares

The Trustee shall divide the trust property into shares as designated in Article Two for the remainder beneficiaries and shall administer the share for each remainder beneficiary in a separate trust in accordance with the remaining Sections of this Article. Each remainder beneficiary for whom a share is created shall be referred to as the *“Primary Beneficiary”* of the separate trust administered under this Article for the benefit of the Primary Beneficiary.

## Administration of a Descendant’s Trust

The Trustee shall administer each remainder beneficiary’s trust as follows:

### Distributions of Income and Principal

The Distribution Advisor may direct the Trustee to distribute to any one or more of the Primary Beneficiary and the Primary Beneficiary’s descendants as much of the net income and principal of such Primary Beneficiary’s trust as the Advisor may determine advisable in its sole and absolute discretion. This discretionary distribution power has been adopted, and shall be construed, in accordance with W.S. §4-10-504. No other distributions are permitted from a Primary Beneficiary’s trust during its administration.

Undistributed net income shall be accumulated and added to principal.

**(1) Unequal Distributions Authorized**

The Trustee, at the Distribution Advisor’s direction and in the Distribution Advisor’s absolute discretion, may make distributions or allocations of net income or principal to or for the benefit of one or more of the beneficiaries of each trust administered under this Article to the complete exclusion of the other beneficiaries and may make these distributions or allocations in equal or unequal amounts. Before making any distribution or allocation of income or principal, the Trustee may require a refunding agreement or may withhold any portion of the distribution or allocation until final determination or release of any claim or lien against a beneficiary of the trust.

**(2) Allocation of Distributions**

If any distribution is made to or for the benefit of a beneficiary of any trust administered under this Article, then the amount of the distribution shall be charged against the trust as a whole and not against any individual benefit that the beneficiary may ultimately receive.

**(3) Renouncing Beneficial Rights**

Any beneficiary of a trust administered under this Article may renounce the beneficiary’s designation as a beneficiary. To be effective, any renunciation must be made by a written instrument delivered to the Trustee.

### Guidelines for Discretionary Distributions

When determining to authorize the Trustee to make any discretionary distributions to the Primary Beneficiary or any descendant of a Primary Beneficiary, the Distribution Advisor may consider such other sources of income or principal as are available and known by the Distribution Advisor. Grantors acknowledge the possibility that the principal of the trust may be exhausted from these distributions.

## Primary Beneficiary’s Testamentary Power of Appointment

The Primary Beneficiary of any trust administered under this Article may appoint any trust property remaining in the Primary Beneficiary’s trust at the Primary Beneficiary’s death to any one or more of the Primary Beneficiary’s descendants in equal or unequal proportions and on any terms or conditions designated. This power is exercisable by valid will or any other written instrument, and the power shall be effective immediately after the death of the Primary Beneficiary. This power is not exercisable for the purpose of discharging the Primary Beneficiary’s legal obligations or otherwise for his or her pecuniary benefit.

The Primary Beneficiary may not exercise this power to appoint any interest in this trust to the Primary Beneficiary, the Primary Beneficiary’s estate, the Primary Beneficiary’s creditors, or creditors of the Primary Beneficiary’s estate. The Primary Beneficiary may not exercise this power to create another power of appointment that, under any applicable law, can be validly exercised in a way that would postpone the vesting of any estate or interest in the property subject to the power for a period ascertainable without reference to the first power. The Primary Beneficiary may not exercise the power to suspend the absolute ownership or any power of alienation over the property subject to this power for a period ascertainable without regard to the date of creation of the first power.

## Primary Beneficiary’s Death

On the death of a Primary Beneficiary, the Primary Beneficiary’s trust shall terminate and any trust property remaining shall be divided into shares as follows (each individually, a “*remainder beneficiary*”):

1. the deceased Primary Beneficiary’s descendants, *by representation*; or if none, then
2. the descendants, *by representation,* of the deceased Primary Beneficiary’s closest related ancestor who also (i) is the Grantors’ descendant and (ii) has then-living descendants of his or her own; or if none, then
3. Grantors’ descendants, *by representation,* if different.

Each of the foregoing shares shall be administered in further trust under Sections 7.02 through Section 7.05 and the individual with respect to whom each share was established shall be called the Primary Beneficiary of that trust.

If no remainder beneficiary is then living, the remaining trust property shall be distributed as provided in Article Eight.

## General Power of Appointment Over Property Subject to Taxable GSTs

Notwithstanding any provision to the contrary, any Primary Beneficiary of any separate trust administered under this Article has the unlimited and unrestricted testamentary general power to appoint to the creditors of the Primary Beneficiary’s estate any property remaining in trust, the distribution of which, in the absence of the power of appointment, would cause a taxable GST exceeding any Available GST Exemption. The Primary Beneficiary has the sole and exclusive right to exercise this general power of appointment. The Trustee shall distribute any property in the trust that is not distributed under the exercise of this general power of appointment or is not subject to the power because it is not taxable as a GST under the provisions of the Primary Beneficiary’s trust.

This provision applies to all trusts created for a Primary Beneficiary under this Article and supersedes any contrary provisions, unless the provisions of a separate trust, by reference to this provision, provide otherwise.

# Remote Contingent Distribution

If at any time no person or entity is qualified to receive final distribution of any part of an estate created under this instrument, then the trust estate remaining at such time shall be distributed to those persons who would inherit it had the beneficiary then died intestate owning the trust property as determined and proportioned under the laws of Wyoming then in effect.

# Distributions to Underage and Incapacitated Beneficiaries

## Supplemental Needs Trust

If under any provision of this instrument the Trustee is directed to distribute to or for the benefit of any beneficiary when that person is receiving or applying for needs-based government benefits, the Trustee shall retain and administer the trust property as follows:

### Distributions for Supplemental Needs

In its sole, absolute, and unreviewable discretion, the Trustee may distribute discretionary amounts of net income and principal for supplemental needs of the beneficiary not otherwise provided by governmental financial assistance and benefits, or by the providers of services.

*Supplemental needs* refer to the basic requirements for maintaining the good health, safety, and welfare when, in the discretion of the Trustee, these basic requirements are not being provided by any public agency, office, or department of any state or of the United States. *Supplemental needs* shall also include medical and dental expenses; annual independent checkups; clothing and equipment; programs of training, education, treatment, and rehabilitation; private residential care; transportation, including vehicle purchases; maintenance; insurance; and essential dietary needs. *Supplemental needs* may include spending money; additional food; clothing; electronic equipment such as radio, recording and playback, television and computer equipment; camping; vacations; athletic contests; movies; trips; and money to purchase appropriate gifts for relatives and friends. The Trustee shall have no obligation to expend trust assets for these needs. But if the Trustee, in its sole, absolute, and unreviewable discretion, decides to expend trust assets, under no circumstances should any amounts be paid to or reimbursed to the federal government, any state, or any governmental agency for any purpose, including for the care, support, and maintenance of the beneficiary.

### Objective to Promote Independence of the Beneficiary

While actions are in the Trustee’s sole, absolute, and unreviewable discretion, all parties to this instrument should be mindful that the objective is that the beneficiary live as independently, productively, and happily as possible.

### Trust Assets Not to be Considered Available Resource to the Beneficiary

The purpose of this Section is to supplement any benefits received, or for which the beneficiary may be eligible, from various governmental assistance programs, and not to supplant any benefits of this kind. All actions of the Trustee shall be directed toward carrying out this intent, and the Trustee’s discretion granted under this instrument to carry out this intent is sole, absolute, and unreviewable.

In determining the beneficiary’s eligibility for any of these benefits, no part of the trust estate’s principal or undistributed income shall be considered available to the beneficiary for public benefit purposes. The beneficiary must not be considered to have access to the trust’s principal or income, or to have ownership, right, authority, or power to convert any asset into cash for that beneficiary’s own use.

The Trustee shall hold, administer, and distribute all property allocated to this trust for the exclusive benefit of the beneficiary during that beneficiary’s lifetime. All distributions from this trust share are in the sole, absolute, and unreviewable discretion of the Trustee, and the beneficiary is legally restricted from demanding trust assets for that beneficiary’s maintenance.

In the event the Trustee is requested to release principal or income of the trust to or on behalf of the beneficiary to pay for equipment, medication, or services that any government agency is authorized to provide, or to petition a court or any other administrative agency for the release of trust principal or income for this purpose, the Trustee is authorized to deny this request and to take whatever administrative or judicial steps are necessary to continue the beneficiary’s eligibility for benefits. This includes obtaining legal advice about the beneficiary’s specific entitlement to public benefits and obtaining instructions from a court of competent jurisdiction ruling that neither the trust corpus nor the trust income is available to the beneficiary for eligibility purposes. Any expenses incurred by the Trustee in this regard, including reasonable attorney fees, shall be a proper charge to trust property.

### Distribution Guidelines

The Trustee shall be responsible for determining what discretionary distributions shall be made under this instrument. The Trustee may distribute discretionary amounts of income and principal to or for the benefit of the beneficiary for those supplemental needs not otherwise provided by governmental financial assistance and benefits, or by the providers of services. Any undistributed income shall be added to principal.

In making distributions, the Trustee must:

* consider any other known income or resources of the beneficiary that are reasonably available;
* consider all entitlement benefits from any government agency, including Social Security disability payments, Medicare, Medicaid (or any state Medicaid program equivalent), Supplemental Security Income (SSI), In-Home Support Service (IHSS), and any other supplemental purpose benefits for which the beneficiary is eligible;
* consider resource and income limitations of any assistance program;
* make expenditures so that the beneficiary’s standard of living shall be comfortable and enjoyable;
* not be obligated or compelled to make specific payments;
* not pay or reimburse any amounts to any governmental agency or department, unless proper demand is made by this governmental agency or reimbursement is required by the state; and
* not be liable for any loss of benefits.

### No Seeking of Order to Distribute

For purposes of determining the beneficiary’s state Medicaid program equivalent eligibility, no part of the trust estate’s principal or undistributed income may be considered available to the beneficiary. The Trustee shall deny any request by the beneficiary to:

* release trust principal or income to or on behalf of the beneficiary to pay for equipment, medication, or services that the state Medicaid program equivalent would provide if the trust did not exist; or
* petition a court or any other administrative agency for the release of trust principal or income for this purpose.

In its sole, absolute, and unreviewable discretion, the Trustee may take necessary administrative or legal steps to protect the beneficiary’s state Medicaid program equivalent eligibility. This includes obtaining a ruling from a court of competent jurisdiction that the trust principal is not available to the beneficiary for purposes of determining state Medicaid program equivalent eligibility. Expenses for this action, including reasonable attorney fees, shall be a proper charge to the trust.

### Indemnification of Trustee When Acting in Good Faith

The Trustee shall be indemnified from trust property for any loss or reduction of public benefits sustained by the beneficiary resulting from the Trustee’s exercising the authority granted to the Trustee under this Section in good faith.

### Termination and Distribution of the Supplemental Needs Trust

If the Trustee, in its sole, absolute, and unreviewable discretion, determines that the beneficiary is no longer dependent on others and may independently support himself, the Trustee shall distribute or retain the remaining property according to the other provisions of this instrument as though the provisions of this Section had not been effective.

*Independently support* is satisfied when the beneficiary has been gainfully employed for 33 months of the 36-month period immediately preceding the decision to terminate the trust share.

The terms *gainful employment* and *gainfully employed* mean the full-time employment that produces sufficient net income to enable the beneficiary to contribute not less than 100% of the funds (exclusive of other revenue sources) that are necessary to provide for the beneficiary’s independent care, support, maintenance, and education. In its sole, absolute, and unreviewable discretion, the Trustee shall determine whether the beneficiary has satisfied this condition.

### Distribution upon the Death of the Beneficiary

Upon the beneficiary’s death, the Trustee shall distribute or retain the remaining property according to the other provisions of this instrument as though the provisions of this Section had not been effective. If the other provisions of this instrument provide for the beneficiary’s share to be held in trust, then those provisions shall be interpreted as though the beneficiary died after the establishment of that trust.

If there are no then-living descendants, the Trustee shall distribute the balance of the trust property as provided in Article Eight.

## Underage and Incapacitated Beneficiaries

If the Trustee is authorized or directed under any provision of this instrument to distribute net income or principal to a person who has not yet reached 25 years of age or who is incapacitated as defined in Section 12.05(k), the Trustee may make the distribution by any one or more of the methods described in Section 9.03. Alternatively, the Trustee may retain the trust property in a separate trust.

Before making a distribution to a beneficiary, the Trustee shall consider, to the extent reasonable, the ability the beneficiary has demonstrated in managing prior distributions of trust property.

## Methods of Distribution

The Trustee may distribute trust property for any beneficiary’s benefit, subject to the provisions of this Article in any one or more of the following methods:

* The Trustee may distribute trust property directly to the beneficiary.
* The 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.
* The Trustee may distribute trust property to any person or entity, including the Trustee, as custodian for the beneficiary under the Uniform Transfers to Minors Act or similar statute.
* The Trustee may distribute trust property to other persons and entities for the beneficiary’s use and benefit.
* The 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.

## Retention in Trust

The Trustee may retain and administer trust property in a separate trust for any beneficiary’s benefit, subject to the provisions of this Article as follows:

### Distribution of Net Income and Principal

The Trustee, other than an Interested Trustee, may distribute to the beneficiary as much of the net income and principal of any trust created under this Section as the Trustee may determine advisable for any purpose. If there is no then-serving Trustee that is not an Interested Trustee, the Trustee shall distribute to the beneficiary as much of the net income and principal of the trust created under this Section as the Trustee determines is necessary or advisable for the beneficiary’s health, education, maintenance, and support. Any undistributed net income shall be accumulated and added to principal.

### Right of Withdrawal

When the beneficiary whose trust is created under this Section either reaches 25 years of age or is no longer incapacitated, the beneficiary may withdraw all or any portion of the accumulated net income and principal from the trust.

### Distribution upon the Death of the Beneficiary

Subject to the terms of the next paragraph, the beneficiary whose trust is created under this Section may appoint all or any portion of the principal and undistributed net income remaining in trust at the beneficiary’s death among one or more persons or entities, and the creditors of the beneficiary’s estate. The beneficiary has the exclusive right to exercise this general power of appointment.

The beneficiary may not exercise this power of appointment to appoint to the beneficiary, the beneficiary’s estate, the beneficiary’s creditors, or creditors of the beneficiary’s estate from the *limited share* of the beneficiary’s trust. For purposes of this power of appointment, the *limited share* of the beneficiary’s trust is that portion of the beneficiary’s trust that has an inclusion ratio for GST tax purposes of zero or that without the exercise of the power of appointment, would not constitute a taxable GST at the beneficiary’s death. If the GST tax does not then apply, the limited share shall be the beneficiary's entire trust.

If any part of the beneficiary’s trust is not effectively appointed, the Trustee shall distribute the remaining unappointed balance *by representation* to the beneficiary’s descendants. If a beneficiary has no then-living descendants, the Trustee shall distribute the unappointed balance *by representation* to the then-living descendants of the beneficiary’s nearest lineal ancestor who was a descendant of the Grantors or, if there is no then-living descendant, *by representation* to the descendants.

If there are no then-living descendants, the Trustee shall distribute the balance of the trust property as provided in Article Eight.

## Application of Article

Any decision made by the Trustee under this Article is final, controlling and binding on all beneficiaries subject to the provisions of this Article.

# Trust Administration

## Distributions to Beneficiaries

Whenever this instrument authorizes or directs the Trustee to make a distribution to a beneficiary, the Trustee may apply any property that otherwise could be distributed directly to the beneficiary for that beneficiary’s benefit. The Trustee is not required to inquire into the beneficiary’s ultimate disposition of the distributed property unless specifically directed otherwise by this instrument.

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

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

## Trust Decanting; Power to Appoint in Further Trust

The Trust Protector may appoint property subject to the Trustee’s power of distribution in trust for the benefit of one or more beneficiaries of any trust created under this instrument under the terms established by the Trust Protector. Any trust established by the Trust Protector and funded by the exercise of the power granted under this Section must, initially, meet all the following:

* the trust must not reduce any fixed income, annuity, or unitrust right provided by this instrument to any beneficiary;
* the trust must provide for one or more of the beneficiaries of a trust created under this instrument; and
* the interests of remainder beneficiaries of the trust created under this instrument must not be accelerated under the terms of the new trust.

Any trust created under this provision must not contain any provision that, if applicable, would cause the trust to fail to qualify for the marital deduction or charitable deduction, fail to qualify any gift to the trust for any gift, estate, or GST annual exclusion, or disqualify the trust as a qualified subchapter S corporation shareholder.

The Trust Protector, on meeting the foregoing qualifications, must then notify the Trustee in writing of the proposed appointment, providing a full and complete explanation for the proposed appointment and its effect on Qualified Beneficiaries. The Trustee shall then provide all Qualified Beneficiaries of the trust property being appointed within 30 days prior, written notice of the proposed change, which notice shall enclose the Trust Protector’s explanation. Each Qualified Beneficiary shall then have 60 days from the date of mailing to register with and deliver to the Trustee any objections, stating with specificity the reason therefor. If there are no objections, the Trustee shall accept the proposed appointment and be fully and finally released from all liability relating to the proposed appointment and shall be indemnified, saved, defended, and held harmless under this instrument for its actions in respect thereof. If there are any objections, the Trustee shall endeavor to address those objections to the satisfaction of the objecting beneficiary and if such cannot be addressed, the Trustee may refuse to provide for the proposed appointment without any liability therefor and with full indemnity from the trust for its actions.

The Trustee shall be under no obligation to review the actions of the Trust Protector under this Section and shall be an “excluded fiduciary” for purposes of W.S. §4-10-715 and shall not be liable for any resulting loss under W.S. §4-10-717.

## Beneficiary’s Status

Until the Trustee receives notice of the incapacity, birth, marriage, death, or other event upon which a beneficiary’s right to receive payments may depend, the Trustee shall 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 instrument, a parent or Legal Representative may act on behalf of a minor or incapacitated beneficiary.

The Trustee may rely on any information provided by a beneficiary and shall have no independent duty to investigate the status of any beneficiary and shall not incur any liability for not doing so.

## No Court Proceedings

The Trustee shall administer this instrument with efficiency, with attention to the provisions of this instrument, and with freedom from judicial intervention. If the Trustee or another interested party institutes a legal proceeding, the court shall 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 instrument to the court’s continuing jurisdiction.

## No Bond

The 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 shall be required on any bond required by any law or court rule unless the court specifies its necessity.

## Exoneration of Trustee

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

The Trustee is exonerated from any liability for the acts, omissions, or forbearances of any Trust Protector and from any liability for the Trustee’s own acts, omissions, or forbearances directed by the Trust Protector.

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. The 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.

## Limitations on Trustee Liability

Some individuals and institutions may be reluctant to serve as Trustee because of a concern about potential liability. Therefore, no Trustee shall 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 instrument, unless the 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 Trustee may expend any portion of 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 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.

Any action, omission, or forbearance made in good faith reliance by the Trustee on information, consent, or directions received from an Advisor shall be considered to have been made in good faith.

Any action, omission, or forbearance made in good faith reliance by the Trustee on information, consent, or directions received from a Trust Protector shall be considered to have been made without review of the actions of the Trust Protector and the Trustee shall be an *“excluded fiduciary”* for purposes of W.S. §4-10-715 and shall not be liable for any loss under W.S. §4-10-717.

## Trustee Compensation

An individual serving as Trustee is entitled to fair and reasonable compensation for services provided as a fiduciary. A corporate fiduciary serving as Trustee shall be compensated by agreement between an individual serving as Trustee and the corporate fiduciary. In the absence of an agreement, a corporate fiduciary shall 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.

## Employment of Professionals

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

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

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

## Determination of Principal and Income

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

## Trust Accounting

The Trustee is not required to file accountings in any jurisdiction. An annual accounting from the Trustee to all Qualified Beneficiaries is required by April 15th. The federal tax return satisfies this requirement. Absent a tax filing, the accounting must include the receipts, expenditures, and distributions of income and principal during the year and the assets on hand at the end of the year.

In the absence of fraud or obvious error, delivery of the foregoing to all Qualified Beneficiaries shall make the matters disclosed therein binding and conclusive on all persons, including those living on this date and those born in the future who have or shall have an interest in trust property.

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.

## Information to Beneficiaries

Privacy is an important issue. This Section defines the Trustee’s duties to inform, account, and report to beneficiaries of various trusts created under this instrument, and to other individuals. Except to the extent required by law, the Trustee is not required to comply with a request to furnish a copy of this instrument to a Qualified Beneficiary at any time, and the Trustee is not required to send annual reports or reports upon termination of the trust to any Permissible Distributee or Qualified Beneficiary who requests the report. If the Trustee decides, in the Trustee’s sole and absolute discretion, to provide any information to a Permissible Distributee or Qualified Beneficiary, the Trustee may exclude any information that the Trustee determines is not directly applicable to the beneficiary receiving the information. Any decision by the Trustee to make information available to any beneficiary does not constitute an obligation to provide any information to any beneficiary in the future.

### Providing Information while any Grantor is Alive and Not Incapacitated

The Trustee need not give notice, information, and reports to any Qualified Beneficiary other than a Grantor. The Trustee is not required to keep Qualified Beneficiaries, other than the Grantors, informed of administration in any manner. Further, the Trustee is not required to respond to any request for information related to the administration of the trust from anyone who is not a Qualified Beneficiary, other than a Grantor.

### Providing Information while all Grantors are Incapacitated and after all Grantors’ Deaths

The Trustee shall deliver any notice, information, or report which would otherwise be required to be delivered to a Grantor or to a Qualified Beneficiary during any period a Grantor is alive but incapacitated and after the death of all Grantors. To preserve privacy, while any Grantor is alive, the Trustee may not provide copies of the trust or any other information which may otherwise be required to be distributed to any beneficiary to whom the information is not directly relevant.

## Action of Trustees and Delegation of Trustee Authority

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 non-concurring Trustee may dissent or abstain from a decision of the majority. A Trustee shall 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 the other Trustees in any way necessary or appropriate to affect the majority decision.

Notwithstanding the limitations set forth in this Section, unless a Trustee elects otherwise in a written instrument delivered to the other Trustees, if two or more Trustees are then serving, any one Trustee may sign any checks, agreements, or other documents on behalf of the trust with the same effect as if all Trustees had signed. Persons dealing with the signing Trustee in good faith may rely upon the signing Trustee’s authority to act on behalf of the trust without inquiry as to the other Trustees’ agreement.

Any Trustee may, by written instrument, delegate to any other Trustee the right to exercise any power, including a discretionary power, granted to the Trustee in this instrument. During 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.

## Trustee May Disclaim or Release Any Power

A Trustee may relinquish any Trustee power in whole or in part, irrevocably or for any specified period by a written instrument. The Trustee may relinquish a power personally or for all subsequent Trustees.

## Trustee May Execute a Power of Attorney

The Trustee may appoint any individual or entity to serve as the Trustee’s agent under a power of attorney to transact business on behalf of any trust created under this instrument.

## Additions to Separate Trusts

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

## Authority to Merge or Sever Trusts

The Trustee may merge a trust created under this instrument 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. The Trustee may administer the merged trust under the provisions of the instrument governing the other trust, and this trust shall no longer exist if it merges into another trust. Accordingly, in the event another trust is merged into a trust created under this instrument, the Trustee may shorten the period during which the trust exists to comply with Section 12.01, if necessary, to effect the merger. But if a merger does not appear feasible, the Trustee may consolidate the trusts’ assets for purposes of investment and trust administration while retaining separate records and accounts for each respective trust.

The 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 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. The 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, the Trustee may consider differences in federal tax attributes and other pertinent factors in administering 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 the Trustee exercises the power.

## Authority to Terminate Trusts

The Trust Protector may terminate any trust created under this instrument at any time, if the Trust Protector, in its sole and absolute discretion, determines that administering a trust created under this instrument is no longer economical. Once distributed, the Trustee shall have no further responsibility with respect to that trust property.

The Trustee shall distribute trust property from a terminated trust in this order:

* 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 the Trust Protector determines.

## Merger of Corporate Fiduciary

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

## Funeral and Other Expenses of Beneficiary

Upon the death of an Income Beneficiary, the Trustee may pay the funeral expenses, burial or cremation expenses, enforceable debts, or other expenses incurred due to the death.

The 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. The Trustee may make these decisions without regard to any limitation on payment of expenses imposed by statute or court rule and without obtaining the approval of any court.

## GST Tax Provisions

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

### Division into Exempt and Non-Exempt Trusts

The 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 shall consist of the largest fractional share of the otherwise partially exempt trust’s total assets that shall permit the exempt trust to be entirely exempt from GST tax. The *nonexempt trust* shall consist of the balance of the otherwise partially exempt trust’s total assets.

To compute the fractional share, the Trustee shall use asset values as finally determined for transfer tax purposes. The 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 shall include fluctuations in the trust property’s value.

### Administration of the Trusts

The 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, the Trustee should make distributions to a non-skip person as defined by IRC §2613 from the nonexempt trust and distributions to a skip person as defined by IRC §2613 from an exempt trust. The 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 instrument, the Trustee may allocate property from the exempt trust first to the trust from which a GST is more likely to occur.

### Expression of Intent

The intent is to minimize the application of the GST tax to trust property, but not to affect the total amount of trust property to which any beneficiary may be entitled under this instrument, which must be construed and interpreted to give effect to this intent.

### Additions of Property to Exempt and Non-Exempt Trusts

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

### Re-Allocation

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

# Trustee Powers

## Introduction to Trustee’s Powers

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

The Trustee shall exercise its powers in the manner it determines to be in the beneficiaries’ best interests. The Trustee must not exercise any power inconsistent with the beneficiaries’ right to the enjoyment of trust property in accordance with general principles of trust law. There shall be no duty of impartiality as to the beneficiaries.

The Trustee may have duties and responsibilities in addition to those described in this instrument. The Trustee shall obtain appropriate legal advice if the Trustee has any questions concerning its duties and responsibilities.

## Execution of Documents by the Trustee

The Trustee may execute and deliver any written instruments that the Trustee considers necessary to carry out any powers granted in this instrument.

## Investment Powers in General

If an Investment Advisor is then serving, the Trustee shall follow the direction of the Investment Advisor in all respects in managing trust investments.

Without limiting the authority of the Investment Advisor and unless otherwise directed by the Investment Advisor, the Trustee may invest in any type of investment that the 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, considering the overall investment portfolio of the trust.

Without limiting the Trustee’s investment authority in any way, the Trustee shall exercise reasonable care and skill in selecting and retaining trust investments. The Trustee shall account for the following 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 shall play in the trust’s portfolio.

The Trustee shall 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.

The Trustee may acquire and retain investments not regarded as traditional or suitable assets for trusts, including investments that would be forbidden or regarded as imprudent, improper, or unlawful by the *prudent person* rule, *prudent investor* rule, or any other rule or law that restricts a fiduciary’s investment flexibility. The Trustee may invest in any type of property, wherever located, including any type of security or option, improved or unimproved real property, and tangible or intangible personal property. The investment may be in any manner, including direct purchase, joint ventures, partnerships, limited partnerships, limited liability companies, corporations, mutual funds, business trusts, or any other form of participation or ownership. In making investments, the Trustee may disregard:

* whether an investment or collective trust investments shall produce a reasonable rate of return or result in the preservation of principal;
* whether the acquisition or retention of an investment or collective trust investments are consistent with any duty of impartiality as to the different beneficiaries;
* whether the trust is diversified; and
* whether any trust investment would traditionally be classified as too risky or speculative for trusts.

There is no duty to diversify trust assets. The Trustee and the Investment Advisor, if one is serving, have sole and absolute discretion in determining acceptable risk and proper investment strategy.

The Trustee may delegate the Trustee’s discretion to manage trust investments to any registered investment advisor or corporate fiduciary.

## Banking Powers

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

The Trustee may open accounts in the name of the 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.

## 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, the 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 the Trustee in this instrument.

### No Duty to Diversify

Notwithstanding any duty to diversify imposed by state law or any other provision of this instrument, the Trustee may acquire or indefinitely retain any ownership interest in or indebtedness of any closely held or non-publicly traded entity in which the trust, a Grantor, the Grantors, a Grantor’s or the Grantors’ descendant, or spouses of a Grantor’s or the Grantors’ 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. The Trustee may invest or indefinitely retain all or any part of trust property in these business interests, regardless of any resulting risk, lack of income, diversification, or marketability. The prudent investor rule is waived, as is the Trustee’s standard of care and duty to diversify with respect to the acquisition or retention of these business interests.

It is recognized that the value of a non-controlling interest in a business entity may be less than the underlying value of the entity’s net assets. Nevertheless, the Trustee may acquire and retain any non-controlling business interests.

### Specific Management Powers

The 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. The 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.

The 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), the 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.

The Trustee may enter into management trusts and nominee trusts in which the 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.

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

The 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. The 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.

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

For any business in which the trust has an interest, the 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. The 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 property.

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

The 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.

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

The Trustee may participate in the sale, reorganization, merger, consolidation, recapitalization, or liquidation of the business. The Trustee may sell or liquidate the business or business interest on terms the Trustee deems advisable and in the best interests of the trust and the beneficiaries. The Trustee may sell any business interest held by the trust to one or more of the beneficiaries or to any trust in which a majority of the beneficiaries are beneficiaries. The Trustee may make the sale in exchange for cash, a private annuity, an installment note, or any combination.

The Trustee may exercise all business powers granted in this instrument even though the Trustee may be personally invested in or otherwise involved with the business.

### Business Liabilities

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

### Trustee Compensation

In addition to the compensation set forth in Section 10.08, the Trustee may receive additional reasonable compensation for services in connection with the operation of the business. The Trustee may receive this compensation directly from the business, the trust or both.

### Conflicts of Interest

The Trustee may exercise all powers granted in this instrument even though the Trustee may be involved with or have a personal interest in the business.

## Contract Powers

The 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 the Trustee deems advisable. The Trustee may grant options of any duration for any sales, exchanges, or transfers of trust property. The Trustee may contract, and may deliver deeds or other instruments, which the Trustee considers appropriate.

## Common Investments

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

## Environmental Powers

The Trustee may inspect trust property to determine compliance with or to respond to any environmental law affecting the property. For purposes of this instrument, *environmental law* means any federal, state, or local law, rule, regulation, or ordinance protecting the environment or human health.

The Trustee may refuse to accept property if the 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.

The 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 the Trustee in these actions.

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

The Trustee is not liable to any beneficiary or to any other party for any decrease in the value of property from the Trustee’s actions to comply with any environmental law, including any reporting requirement.

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

## Insurance Powers

The Trustee may

* purchase, accept, hold, and deal with as owner, insurance policies on any beneficiary’s life, or any person’s life in whom any beneficiary has an insurable interest, except that no policies shall be owned on the life of any Grantor or any Grantor’s spouse;
* purchase disability, medical, liability, long-term health care and other insurance on behalf of and for the benefit of any beneficiary;
* may purchase annuities and similar investments for any beneficiary;
* 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;
* may borrow money to pay premiums due on any policy, either by borrowing from the company issuing the policy or from another source;
* assign the policy as security for the loan;
* 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;
* elect any paid-up insurance or extended-term insurance nonforfeiture option contained in a policy;
* sell any policy at its fair market value to anyone having an insurable interest in the policy, including the insured;
* exercise any other right, option, or benefit contained in a policy or permitted by the issuing insurance company; and
* transfer and assign the policies held by the trust as a distribution of trust property.

## Loans and Borrowing Powers

The Trustee may make loans to any person including a beneficiary, as well as to an entity, trust, or estate, for any term or payable on demand, and secured or unsecured; however, the Trustee may not make loans to either or both Grantors, other than as provided in Section 1.07.

The Trustee may encumber any trust property by mortgages, pledges, or otherwise, and may negotiate, refinance, or enter 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 instrument to vest to be valid under the rule against perpetuities.

The Trustee may borrow money at interest rates and on other terms that the 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.

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

## Nominee Powers

The 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.

## Payment of Property Taxes and Expenses

The Trustee may pay any property taxes, assessments, fees, charges, and other expenses incurred in the administration or protection of a trust. All payments shall be a charge against the trust property and shall be paid by the Trustee out of income. If income is insufficient, the Trustee may make any payments out of principal. The Trustee’s determination with respect to this payment shall be conclusive on the beneficiaries.

## Purchase of Assets from and Loans to a Grantor’s Probate Estate

Upon the death of a Grantor, the 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, the Trustee may make secured and unsecured loans to the deceased Grantor’s probate or trust estate. The Trustee may not be held liable for any loss suffered by the trust because of the exercise of the powers granted in this Section.

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

## Exercise of Testamentary Power of Appointment

A testamentary power of appointment granted under this instrument may be exercised by a living trust or other written instrument specifically referring to the power. The holder of a testamentary power of appointment may exercise the power to appoint property among the permissible appointees in equal or unequal proportions, and may designate the terms and conditions, whether outright or in trust. The holder of a testamentary power of appointment may grant further powers of appointment to any person to whom principal may be appointed, including a presently exercisable limited or general power of appointment.

The Trustee may conclusively presume that any power of appointment granted to any beneficiary of a trust created under this instrument has not been exercised by the beneficiary if the Trustee has no knowledge of the existence of a valid will, living trust or other written instrument exercising the power within three months after the beneficiary’s death.

## Qualified Tuition Programs

The Trustee may purchase tuition credits or certificates or make contributions to an account in one or more qualified tuition programs as defined under IRC §529 on a beneficiary’s behalf for the purpose of meeting the beneficiary’s qualified higher education expenses. With respect to an interest in any qualified tuition program, the Trustee may act as contributor, administering the interest by actions including:

* designating and changing the designated beneficiary of the interest in the qualified tuition program;
* requesting both qualified and nonqualified withdrawals;
* selecting among investment options and reallocating funds among different investment options;
* making rollovers to another qualified tuition program; and
* allocating any tax benefits or penalties to the beneficiaries of the trust.

Notwithstanding anything in this provision to the contrary, the designated beneficiary must always be a beneficiary of the trust from which the funds were distributed to establish the interest in the qualified tuition program. Investment in a qualified tuition program shall not be considered a delegation of investment responsibility under any applicable statute or other law.

## Real Estate Powers

The 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 the Trustee deems appropriate;
* grant or release easements in or over, subdivide, partition, develop, raze improvements to, and abandon any real property;
* manage real estate in any manner considered best, and may exercise all other real estate powers necessary to effect this purpose;
* enter into contracts to sell real estate;
* 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 instrument and beyond the period that is required for an interest created under this instrument to vest in order to be valid under the rule against perpetuities; and
* may enter into any contracts, covenants, and warranty agreements that the Trustee deems appropriate.

## Residences and Tangible Personal Property

The Trustee may acquire, maintain, and invest in any residence for any beneficiary’s or beneficiaries’ use and benefit, whether 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. The Trustee may pay or arrange for others, including a beneficiary or beneficiaries, to pay all carrying costs of any residence for the beneficiary’s or beneficiaries’ use and benefit, including taxes, assessments, insurance, maintenance, and other expenses.

Any acquisition, maintenance, or investment in any such residence shall be accomplished solely through a *“qualified personal residence trust”* within the meaning of the term as described in Code §2702(c) and shall comply with the provisions of W.S. §4-10-510(a)(iv)(H).

The Trustee may also dispose of the residence acquired, maintained, or invested in at any time or from time to time in the Trustee’s sole and unreviewable discretion, whether or not another residence is acquired, maintained, or invested in for the beneficiary or beneficiaries for whom such residence was originally acquired. Without limiting the discretion of the Trustee in this respect, the Trustee in its sole and unreviewable discretion may also acquire, maintain, or invest in a substitute residence for the beneficiary or beneficiaries for whom the original residence was acquired, maintained, or invested in.

The Trustee may acquire, maintain, and invest in articles of tangible personal property, whether the property produces income and may pay for the repair and maintenance of the property.

The 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 instrument.

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

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

## Retention and Abandonment of Trust Property

The 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. The 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.

The 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 the Trustee. On the other hand, the Trustee shall invest contributions of cash and cash equivalents as soon as reasonably practicable after the assets have been acquired by the trust.

The 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.

The Trustee may abandon any property that the Trustee considers of insignificant value.

## Securities, Brokerage and Margin Powers

The 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. The Trustee may write and purchase call or put options, and other derivative securities. The Trustee may maintain margin accounts with brokerage firms and may pledge securities to secure loans and advances made to the Trustee or to or for a beneficiary’s benefit. The Trustee may place all or any part of the securities held by the trust in the custody of a bank or trust company. The 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. The 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.

The 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. The 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.

The Trustee may participate in any reorganization, recapitalization, merger, or similar transaction. The Trustee may exercise or sell conversion or subscription rights for securities of all kinds and descriptions. The 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.

## Settlement Powers

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

## Crypto Currency and Non-Fungible Tokens

The Trustee may exercise the maximum powers under federal and state law to receive disclosure of, access, use, share, and control the contents of any electronic communication or other electronic or digital information, however created or stored, in any trust established under this instrument. The Trustee has the express consent under the Stored Communications Act of 1986, the Computer Fraud and Abuse Act of 1986 and all other state and federal data privacy and criminal laws to allow the Trustee to exercise the powers described in this paragraph.

## Subchapter S Corporation Stock Provisions

Any trust created under this instrument may hold S corporation stock held as a separate *Electing Small Business Trust*, or as a separate *Qualified Subchapter S Trust*.

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 IRC §1361(a) as an *S corporation* for federal income tax purposes.

### Electing Treatment as an Electing Small Business Trust

If the Trustee elects under IRC §1361(e)(3) to qualify any portion of the trust as an *Electing Small Business Trust*, the Trustee shall:

* apportion a reasonable share of the unallocated expenses of all trusts created under this instrument to the Electing Small Business Trust under the applicable provisions of the IRC and Treasury Regulations; and
* administer the trust as an Electing Small Business Trust, under IRC §1361(e).

### Electing Treatment as a Qualified Subchapter S Trust

If the current Income Beneficiary of the trust makes an election under IRC §1361(d)(2) to qualify the trust as a Qualified Subchapter S Trust within the meaning of IRC §1361(d)(3), the 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 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 IRC §1361(d)(3).

The 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.

#### 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 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, the Trustee shall segregate the S corporation stock into separate Qualified Subchapter S Trusts for each of these people.

#### 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*), the Trustee shall distribute at least annually all of the trust’s *net income*, as defined in IRC §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, the 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, the Trustee shall distribute all assets of the Qualified Subchapter S Trust to the current Income Beneficiary outright and free of trust.

#### Allocation of Income and Expenses

The Trustee shall characterize receipts and expenses of any Qualified Subchapter S Trust in a manner consistent with IRC §643(b).

#### Trust Merger or Consolidation

Notwithstanding any other provision of this instrument that may seem to the contrary, the 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.

### Governance of the Trusts

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

#### Protection of S Corporation Status

The 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, the Trustee must construe the terms and provisions of this instrument in a manner that is consistent with the trust qualifying as an Electing Small Business Trust or as a Qualified Subchapter S Trust. The Trustee must disregard any provision of this instrument that cannot be so construed or applied.

#### Methods of Distribution

The 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.

#### Disposition of S Corporation Stock

If the 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 trust property, the 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 trust.

## Limitation on Trustee’s Powers

All powers granted to Trustees under this instrument or by applicable law are limited as set forth in this Section, unless explicitly excluded by reference to this Section.

### An Interested Trustee Limited to Ascertainable Standards

An Interested Trustee may only make discretionary decisions when they pertain to a beneficiary’s health, education, maintenance, or support as described under IRC §§2041 and 2514.

### Interested Trustee Prohibited from Acting

Whenever this instrument specifically prohibits or limits an Interested Trustee from exercising discretion or performing an act, then any Interested Trustee serving as Trustee is prohibited from participating in the exercise of that discretion or performance of that act. If there is no Trustee serving who is not an Interested Trustee, then an Independent Special Trustee may be appointed under the provisions of Section 3.07 to exercise the discretion or perform the act.

### Exclusive Powers of Independent Trustee

Whenever a power or discretion is granted exclusively to an Independent Trustee, then any Interested Trustee who is then serving as the Trustee is prohibited from participating in the exercise of the power or discretion. If there is no Independent Trustee then serving, then an Independent Special Trustee may be appointed under the provisions of Section 3.07 to exercise the power or discretion that is exercisable only by the Independent Trustee.

### No Distributions in Discharge of Certain Legal Obligations

The 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 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.

### Insurance Policy on the Life of Trustee

If the trust holds a policy that insures the life of a Trustee, that Trustee may not exercise any powers or rights with respect to the policy. Instead, an Independent Special Trustee must exercise the powers and rights. If any rule of law or court decision construes the ability of the insured Trustee to name an Independent Special Trustee as an incident of ownership of the policy, then a majority of the then current Income Beneficiaries (excluding the insured Trustee if he or she is a beneficiary) shall select an Independent Special Trustee.

### Insurance Policy on a Beneficiary’s Life

If the trust holds a policy that insures a beneficiary’s life, the beneficiary, individually or as Trustee, may not exercise any power over the policy, its cash value, or its proceeds. This denial of power is intended to prevent an insured beneficiary from holding any power that would constitute an incident of ownership of the policy. The limitations of this Subsection do not apply if, upon the beneficiary’s death, the policy’s proceeds would otherwise be included in the beneficiary’s gross estate for federal estate tax purposes.

# General Provisions

## Maximum Term for Trusts

The rule against perpetuities as provided in W.S §34-1-139(a) shall not be applicable to any trust created under this Instrument. Any trust created under this Instrument shall terminate no later than 1,000 years after the trust’s creation, as provided in W.S §34-1-139(b).

For any real property in a trust subject to W.S §34-1-139(c) for which the election under W.S §34-1-139(b) is not available, the following shall apply only to the non-qualifying real property contained in trust, but not to any other property:

* Unless a trust is terminated earlier under other provisions of this instrument, with respect to any non-qualifying real property contained in any trust created under this instrument, the trust’s interest in that real property shall terminate 21 years after the last to die of the descendants who are living at the time of the death of the first Grantor to die.
* At that time, the real property not qualifying for the election shall vest in and be distributed to those persons then entitled to receive mandatory distributions of net income of the trust and in the same proportions. If no beneficiary is entitled to mandatory distributions of net income, it shall vest in and be distributed to the beneficiaries entitled to receive discretionary distributions of net income of the trust in equal shares by representation.

## Spendthrift Provision

The interests of all beneficiaries under any trust created by this instrument, whether the interest is in income or principal, or both, shall be held subject to the provisions of W.S. §4-10-502 and each beneficiary holds any interest he or she may have in a *“spendthrift trust”* within the meaning of W.S. §4-10-502(b). This provision shall be deemed to be a restriction on the transfer of all interests held by any beneficiary in the initial and every subsequent trust created under this instrument enforceable under applicable non-bankruptcy law within the meaning of §541(c)(2) of the Bankruptcy Code. Thus, no beneficiary may, voluntarily or involuntarily, assign, anticipate, encumber, alienate, or otherwise transfer the beneficiary’s interest in any trust created under this instrument. In addition, no interest of a beneficiary in any trust created under this instrument may be reached by a creditor of the beneficiary until such time as a distribution, if any, is actually received by the beneficiary; further, no interest of a beneficiary 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 Trust Protector to appoint property in further trust for any beneficiary as provided in Section 10.02.

## Contest Provision

If any beneficiary of any trust created under this instrument

* singly or in conjunction with any other person;
* directly or indirectly at any time;
* through a legal proceeding or otherwise;
* in any form or manner; or
* in whole or in part

1. contests or attacks a trust or any of its provisions, or attempts to contest, oppose, void, nullify, amend, restate, or set aside this instrument, any amendment to this instrument, or any restatement of this instrument;
2. files a creditor’s claim against any beneficiary (except for a claim based on a written promise or agreement signed by a Grantor or the Grantors prior to a contribution);
3. files a creditor’s claim against the trust (except for a claim based on a written promise or agreement signed by the Trustee);
4. attempts to change the character of any property owned by the trust, the character of which has been designated by the Trustee, a Grantor or the Grantors in writing;
5. challenges the validity or contests any portion of any power of appointment, will, pour-over will, instrument, contract, agreement, trust, or beneficiary designation expressed by the Grantors in any of the documents that relate in any manner to the disposition of assets of the trust upon the death of both Grantors (collectively *“Documents”*); or
6. files a petition or other pleading for settlement or compromise of any Document;

then the right of that beneficiary to take any interest given under this instrument or any Document, along with the beneficiary’s descendants, shall be forfeited, with the beneficiary and the beneficiary’s descendants to be considered to have predeceased the Grantors for purposes of this instrument and the shares at issue then being distributed under the provisions of Article Eight.

In the event of any dispute concerning the interpretation of any provision in this instrument, the sole remedy shall be the appointment of a Trust Protector pursuant to the provisions of Section 5.09(g). The Trust Protector shall have full, complete, and absolute authority to interpret the provision or provisions at issue and all beneficiaries and descendants shall be bound by that decision. If any beneficiary of any trust created under this instrument shall

* singly or in conjunction with any other person;
* directly or indirectly at any time;
* through a legal proceeding or otherwise;
* in any form or manner; or
* in whole or in part

contests or attacks any determination of the Trust Protector, then that beneficiary and his or her descendants shall forfeit their shares, cease to have any right or interest in trust property, and shall be considered to have predeceased the Grantors for purposes of this instrument, with the shares at issue then being distributed under the provisions of Article Eight.

## Changing the Governing Law and Situs of Administration

At any time, the Trust Protector may:

* change the governing law;
* change the situs of administration; and
* remove all or any part of the property in trust from one jurisdiction to another.

The Trust Protector may elect, by filing an instrument with trust records, that the trust shall then be construed, regulated, and governed by the new jurisdiction’s laws. The Trust Protector may act in any manner the Trust Protector considers appropriate, including the minimization of taxes. If considered necessary or advisable by the Trust Protector, the Trust Protector may appoint an Independent Trustee to serve as Trustee in the new situs.

## Definitions

For purposes of this instrument, the following terms have the meanings given, unless otherwise defined in this instrument:

### Adopted and After born Persons

A person in any generation who is legally adopted before reaching 18 years of age and the beneficiary’s descendants, including legally adopted descendants, have the same rights and shall be treated in the same manner under this instrument 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 shall be considered a person in being during the period of gestation.

### (b) Adverse Party; Non-Adverse Party; and Related or Subordinate Party

*Adverse Party* is defined in IRC §672(a) for purposes of this instrument as any person having a substantial beneficial interest in a trust which would be adversely affected by the exercise or non-exercise of the power which that person possesses respecting the trust. A person having a general power of appointment over trust property shall be deemed to have a beneficial interest in the trust.

*Non-Adverse Party* is defined in IRC §672(b) for purposes of this instrument as a person who is not an Adverse Party.

*Related or Subordinate Party* means any Non-Adverse Party who is:

1. A Grantor’s spouse if living with that Grantor; and
2. any one of the following: a Grantor’s father, mother, issue, brother or sister; an employee of a Grantor; a corporation or any employee of a corporation in which the stock holdings of a Grantor and the trust are significant from the viewpoint of voting control; and a subordinate employee of a corporation in which a Grantor is an executive.

For purposes of IRC §§674 and 675, a Related or Subordinate Party shall be presumed to be subservient to the Grantors in respect of the exercise or non-exercise of the powers conferred on a Grantor or the Grantors unless such party is shown not to be subservient by a preponderance of the evidence.

### (c) By Representation

Whenever a distribution is to be made to a designated person’s descendants *by representation*, the distribution shall be divided into as many equal shares as there are then-living descendants in the nearest degree of kinship and then-deceased descendants in the same degree who left then-living descendants. Each then living descendant in the nearest degree shall receive one share, and the share of each then deceased descendant in the same degree shall be divided among the descendants of the deceased descendant in the same manner.

### (d) Available GST Exemption

*Available GST Exemption* means the GST exemption provided in IRC §2631 in effect at the time; reduced by the aggregate of any amount of GST exemption allocated to lifetime transfers and any amount made or treated as made to transfers other than allocations to transfers under this instrument. The acronym “*GST*” means a generation-skipping transfer, as defined in Chapter 13 of the Internal Revenue Code, and the phrase “*GST tax*” means the tax imposed by IRC §2601.

If, at the time, the individual has made a gift with an inclusion ratio of greater than zero but has not filed a gift tax return and the due date for the gift tax return has not yet passed, that individual’s GST exemption is considered to have been allocated to this gift to the extent necessary and possible to exempt the gift from GST tax.

### (e) Descendant

*Descendant* means any one or more persons who follow in direct descent (as opposed to collateral descent) from a person, such as a person’s children, grandchildren, and similarly descended relatives of any generation*.* This term also includes any child, grandchild, great-grandchild, or the like, who has been legally adopted prior to the age of 18 but does not include collateral descendants, such as a person’s nieces and nephews and the descendants thereof.

### (f) Distributable Net income

*Distributable Net Income* (***“DNI”***) and its related terms are currently defined in IRC §643 and its underlying Treasury Regulations. This term solely applies to the taxation of trusts and trust beneficiaries and has no other application. DNI, for purposes of this instrument, is the income allocated in any taxable year to the taxable income of the trust estate and is the maximum amount received by a beneficiary that is taxable. DNI shall be capped to ensure there is no instance of double taxation and, therefore, that any amount above a trust’s DNI is tax-free. If IRC §643 or any of the underlying Treasury Regulations are renumbered or superseded by subsequent federal tax law, reference is made to the renumbered provision or to the corresponding provision of the subsequent law, unless to do so would clearly be contrary to the intent expressed in this instrument.

### (g) Education

*Education* is intended to be an ascertainable standard under IRC §§ 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 the Trustee considers useful for developing a beneficiary’s abilities and interests including athletic training, musical instruction, theatrical training, the arts, and travel.

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

### (h) Excluded Person

*Excluded person* includes:

* all courts and administrative or judicial bodies, except those organized and empowered under Wyoming law;
* any creditors, judgment claimants, or obligees of any Grantor or both Grantors, of any Trustee, of any beneficiary, or of any other beneficiary under this instrument, and any nominee, assignee, agent, or party serving on behalf or in the place of a creditor, claimant, or oblige;
* any Grantor if the Grantor ceases to be a beneficiary; and
* any person excluded as a beneficiary under any provision of this instrument.

If, however, a Grantor is restored as a beneficiary, the Grantor shall no longer be an excluded person during the period the Grantor is a beneficiary.

### (i) Good Faith

For the purposes of this instrument, 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 this instrument shall treat any action or inaction made in reliance on information, consent, or directions received from the Personal Representative of a Grantor’s estate as made in good faith for purposes of this Section, except for willful misconduct or malfeasance on the Trustee’s part.

### (j) Grantor

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

### (k) Incapacity

A person is considered incapacitated in any of the following circumstances.

#### Opinion of Licensed Physician

An individual is incapacitated whenever a licensed physician gives the opinion that the individual is unable to effectively manage that individual’s 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 a licensed physician, that individual shall be considered incapacitated. An individual is restored to capacity whenever the individual’s personal or attending physician provides a written opinion that the individual may effectively manage that individual’s property and financial affairs.

#### Court Determination

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

#### Detention, Disappearance, or Absence

An individual is incapacitated whenever the individual cannot effectively manage that individual’s 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 a Trustee’s affidavit 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 the Trustee.

### (l) Include, Includes, Including

*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.

### (m) Income Beneficiary

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

Unless otherwise provided in this instrument, 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 these purposes, beneficiaries 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 the Trustee allocates property to separate trusts or trust shares. After the Trustee allocates property to separate trusts or trust shares, references to a *majority* refer to a majority of each separate trust or trust share.

### (n) Independent Trustee

*Independent Trustee* means any Trustee who is not an Interested Trustee as defined in subsection (o) and includes an Independent Special Trustee appointed under the provisions of Section 3.07.

### (o) Instrument

*Instrument* means this instrument and includes all trusts created under the terms of this instrument.

### (p) Interested Trustee

*Interested Trustee* means a Trustee who:

* is a transferor or beneficiary;
* is Related or Subordinate to a transferor or beneficiary;
* can be removed and replaced by a transferor with either the transferor or a party Related or Subordinate to the transferor; or
* can be removed and replaced by a beneficiary with either the beneficiary or a party Related or Subordinate to the beneficiary.

For purposes of this subsection, *transferor* means a person who transferred property to trust during that person’s lifetime, including a person whose disclaimer resulted in property passing to trust. A person is only a transferor during that person’s lifetime. *Beneficiary* means a person who is or may become eligible to receive income or principal from a trust under the terms of this instrument, even if this person has only a remote contingent remainder interest in the trust, but not if the person’s only interest is as a potential appointee under a power of appointment.

### (q) Internal Revenue Code and Treasury Regulations

*Internal Revenue Code* or *IRC* or references 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 IRC then in effect. If a provision of the IRC is renumbered or the IRC is superseded by a subsequent federal tax law, any reference is 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 instrument. The same rule applies to references to Treasury Regulations.

### (r) Legal Representative or Personal Representative

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

### (s) Per Stirpes

Whenever a distribution is to be made to a person’s descendants *per stirpes*, the distribution shall 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 shall receive one share, and the share of each deceased child shall be divided among the deceased child’s then-living descendants in the same manner.

### (t) 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.

### (u) Primary Beneficiary

*Primary Beneficiary* of a trust created under this instrument is that trust’s oldest Income Beneficiary, unless some other individual is specifically designated as the Primary Beneficiary of that separate trust. The Primary Beneficiary of the initial trust established under Article Six is the older of the two Grantors.

### (v) Qualified Beneficiary

*Qualified Beneficiary* means a beneficiary who, on the date the beneficiary’s qualification is determined:

* is a distributee or Permissible Distributee of trust income or principal;
* would be a distributee or Permissible Distributee of trust income or principal if the interests of the distributees described in subparagraph (1) terminated on that date; or
* would be a distributee or Permissible Distributee of trust income or principal if the trust terminated on that date.

### (w) Shall and May

Unless otherwise specifically provided in this instrument or by the context in which used, *shall* imposes a duty, command, directive, or requirement, and *may* permits, but does not require. In the context of the Trustee, *shall* imposes a fiduciary. *May* empowers the Trustee to act with sole and absolute discretion. *May not* in reference to the Trustee means *not permitted*.

### (x) Trust

*Trust,* *instrument, document, agreement, trust instrument,* *trust document,* and *trust agreement* refer to this instrument and all trusts created under this instrument.

### (y) Trustee

*Trustee* refers to the Initial Trustee 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 instrument. The term *Trustee* refers to singular or plural as the context may require.

### (z) Trust Property

*Trust property* means all property acquired from any source and held by a Trustee under this instrument.

## General Provisions and Rules of Construction

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

### Multiple Originals; Validity of Paper or Electronic Copies

This instrument may be executed in any number of counterparts, each of which shall be considered an original. Any person may rely on a paper or electronic copy of this instrument that the Trustee certifies to be a true copy as if it were an original.

### 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.

### Headings of Articles, Sections, and Subsections

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

### Governing State Law

This instrument is governed, construed, and administered according to the laws of Wyoming, 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 Sections 5.09(b), 5.09(d) or 10.02. Specifically, this trust has been established under W.S. §4-10-510 and the laws of Wyoming govern the validity, construction and administration of this trust as provided by W.S. §4-10-510(a)(ii). Further, the interests of each beneficiary in every trust created by this instrument are subject to (i) a *“spendthrift trust”* pursuant to W.S. §4-10-502 and (ii) the discretionary distribution provisions of W.S. §4-10-504.

### Notices

Unless otherwise stated, any notice required under this instrument shall be in writing. The notice may be personally delivered with proof of delivery to the party requiring notice and shall 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 shall 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 shall be given to the parent or Legal Representative.

### Severability

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

### General Savings Clause

Notwithstanding any other provision of this agreement (including, but without limitation, any power specifically conferred upon a Trustee hereunder), no Trustee shall possess any power that would cause either Grantor or both Grantors to be treated as owner of any portion of the trust property under §§671 through 677 of the Code or that would cause any portion of the trust property to be includible in the gross estate, for federal estate or state death tax purposes, of either Grantor or both Grantors or the Primary Beneficiary, or of any Trustee. No powers of any Trustee enumerated in this agreement, or now or hereafter conferred upon Trustees generally, shall be construed to enable either Grantor, both Grantors, or any other person to purchase, exchange, or otherwise deal with or dispose of all or any part of the principal or income of any Trust for less than an adequate consideration in money or money’s worth, or to enable either Grantor or both Grantors to borrow all of any part of the principal or income of any Trust, directly or indirectly, without adequate interest or without adequate security, or to allow any person to exercise a power of administration (as described in §675(4) of the Code) over this Trust in a non-fiduciary capacity without the approval or consent of any person in a fiduciary capacity.

This instrument has been executed this effective [2].

[3.A.], Grantor

[3.B.], Grantor

**[4] Private Family Trust Company, LLC,** Trustee

By:

[3.A.], Manager

By:

[3.B.], Manager

STATE OF \_\_\_\_\_\_\_\_\_\_\_\_ )

) ss.

COUNTY OF \_\_\_\_\_\_\_\_\_\_ )

This instrument was acknowledged before me by [3.A.] and [3.B.], as Grantors of this Trust, and by [3.A.] and [3.B.] as Managers for the [4] Private Family Trust Company, LLC, Trustee, effective [2].

Witness my hand and official seal.

[Seal]

Notary Public

My commission expires: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Schedule A**

Ten Dollars Cash