Living Trust Form

This **Living Trust** is entered into as of , by and between , with a mailing address of

(hereinafter referred to as the “Grantor”) and , with a mailing address of

(hereinafter referred to as the “Trustee”), collectively referred to as the “Parties”.

In consideration of the mutual covenants and promises set forth in this Agreement, the Grantor and the Trustee agree to the following:

## Title.

The trust hereby shall be known as the “Living Trust of ” (hereinafter referred to as the “Trust)”. The assets and dealings of the Trust may, however, be held and conducted in the name of the Trustee and, to the extent otherwise permitted herein, also in the name of a nominee.

## Purpose.

The purpose of this Agreement is to create a Trust that will receive and manage the assets for the benefit of the Grantor during the Grantor's lifetime, and to then further, manage and distribute the assets of the Trust upon the death of the Grantor.

## Funding of Trust.

Grantor has transferred, assigned, conveyed, and delivered and/or will transfer, assign, convey, and deliver to the Trustee the property described in Schedule A attached and made a part hereof; and said property and any and all other property which may be hereafter assigned, conveyed, and delivered to said Trustee by the Grantor or another person as hereinafter provided, is intended to constitute the trust estate and to be held by the Trustee in trust for the uses and purposes and subject to the terms and conditions hereinafter set forth.

Grantor, or any other person, with the consent of the Trustee, may at any time or from time to time deed, grant, devise, bequest, gift, or otherwise cause additional property to be transferred to and administered as a part of the trust estate created hereunder. Any such

transfer may be evidenced by the receipt of the Trustee, and each such receipt shall be conclusive evidence of the consent of said Trustee to the transfer thereof.

## Management of Trust Assets.

The Trustee shall manage and distribute the Trust assets for the benefit of the Grantor and the Grantor's successor(s) in interest in accordance with the terms of this Agreement.

## Additional Trustee Provisions.

If at any time the Grantor serves as the Trustee, the Grantor may appoint a successor Trustee, to become effective immediately or upon any stated contingency, by making such designation in writing. Such designee shall become the successor Trustee upon acceptance of the terms and conditions of this Agreement.

If at any time a Trustee is unable or unwilling to serve,

is designated as the successor Trustee, to serve without bond.

Any Trustee may resign by giving written notice to the beneficiaries to whom income is being distributed under the provisions of this Agreement. Such resignation shall take effect on such date specified in the notice, but no earlier than thirty days after the date of delivery of such written resignation unless an earlier effective date is agreed upon by the income beneficiaries.

If the Trustee resigns or is for any reason unwilling or unable to serve as Trustee, and if the successor Trustee designated by the Grantor, if any, fails or ceases to serve as Trustee, then the adult beneficiaries to whom income is being distributed, together with the adult beneficiaries to whom principal would be distributed if the Trust were to then terminate, may by majority action in writing appoint a successor Trustee. If the agreement of a majority of the beneficiaries cannot be successfully obtained within sixty days, a successor Trustee shall be appointed by the court having general jurisdiction over the trust. Any successor Trustee appointed shall have all the rights conferred upon the original Trustee and shall be bound by the provisions of this Trust.

The Trustee shall provide an accounting to the Beneficiary or Beneficiaries according to at least the following frequency: .

No bond shall be required of any Trustee.

## Payments During the Grantor’s Lifetime.

During the Grantor's lifetime, the Trustee shall pay all of the net income in this Trust, and also such sums from the principal as the Grantor may request, to or for the benefit of the Grantor, or as the Grantor may designate.

Such payments shall be made at least according to the following payment frequency:

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The Grantor may change the amount of the payments at any time by providing written notice to the Trustee.

Any excess income not distributed at the Grantor's death shall be added to the principal at the discretion of the Trustee.

During any period that the Grantor has a “disability,” the Trustee may pay to or for the benefit of the Grantor such amounts of income and principal as the Trustee reasonably believes to be in the Trustee's sole discretion to be required for:

* 1. The Grantor's support, comfort, and welfare;
  2. The Grantor's accustomed manner of living;
  3. Any purpose that the Trustee believes to be in the best interest of the Grantor.

In the event of illness or other disability of the Grantor, the Trustee may, in lieu of making payment of such income directly to the Grantor, use and apply for the benefit of the Grantor so much of such income and also the principal of the Trust estate for the proper care, comfort, medical care, maintenance, and support of the Grantor. The Trustee, in such discretion, may pay over to any relative or legal guardian of the Grantor, all or any portion of such income or principal for any of said purposes in lieu of using and applying said funds for the benefit of the Grantor.

For the purposes of this Trust, "disability" shall mean a legal disability or the inability to provide prompt and intelligent thought to financial matters by reason of illness or mental or physical disability. The determination of whether the Grantor has a disability under this definition shall be made by the Grantor's most recent attending physician. The Trustee shall be entitled to rely on written notice of such a determination.

## Trust Distribution After Grantor’s Death.

To receive any property or gifts under this Agreement, a beneficiary must survive the Grantor by days. Beneficiaries of the Grantor's Trust residue will share in

all of the Grantor's property and assets that have not been bequeathed via specific gifts or are otherwise required for the repayment of debts owed, including but not limited to burial or funeral expenses, expenses associated with probating this Will, payment of taxes, or any other expenses associated with administration of the Grantor's Trust. The residue of the Grantor's Trust is to be distributed between the beneficiaries designated here with the beneficiaries each receiving a share of the residue of the Grantor's entire estate. All property distributed under this Agreement is subject to any encumbrances or liens attached to the property.

The Trustee shall distribute the residue of the Grantor's Trust in the following manner (hereinafter referred to as the “Share Allocations”):

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## General Trust Provisions.

The expression “the Grantor's Trustee” used throughout this Trust Agreement includes both the singular or plural, or the masculine or feminine gender, as appropriate and required by the context.

To carry out the terms of the Grantor's Trust, the Trustee has the following powers to be used in his or her well-considered discretion at any time in the management of a trust created hereunder, namely:

1. To receive, hold, maintain, administer, collect, invest, and re-invest the trust assets, and collect and apply the income, profits, and principal of the Trust in accordance with the terms of this Agreement;
2. To receive additional assets from other sources, including assets received under the Will of the Grantor or any other individual;
3. To make expenditures as necessary to carry out the intent and purpose of the trust;
4. Subject to Grantor's direction to the contrary, to sell, call in, and convert into money any trust property, including real property, that the Trustee, in his or her best judgment deems advisable;
5. Subject to Grantor's direction to the contrary, to mortgage trust property where the Trustee considers it prudent and advisable to do so;
6. Subject to Grantor's direction to the contrary, to borrow money when the Trustee considers it advisable to do so;
7. Subject to Grantor's direction to the contrary, to lend money to the trust beneficiary if the Trustee considers it to be in the beneficiary's best interest to do so;
8. To make expenditures for the purpose of improving, repairing, or maintaining any property;
9. To exercise all rights and options of an owner of any securities held in trust;
10. To lease trust property, including real estate, without limit as to term;
11. To make investments the Trustee considers prudent and advisable, without being limited to those investments authorized by law for trustees;
12. To receive additional property from any source and in any form of ownership;
13. To employ any third person or persons to conduct any business or perform any actions related to the trust, including the receipt and payment of money, without being liable for loss incurred;
14. To settle, waive, or pursue any claims at any time due to or by the trust to the extent that the Trustee considers this to be in the best interest of the trust beneficiary, and to make agreements with any third party or parties or corporation in respect thereof, which shall be binding upon such beneficiary;
15. To employ and rely on advice and counsel given by any attorney, accountant, investment advisor, money manager, or other qualified professional to assist the Trustee in the administration of this trust and to compensate them from the trust assets.

The above powers granted to the Trustee are in addition to any powers and elective rights granted to the Trustee by state or federal law or statute or by any other provisions of this Agreement and may be exercised as often as required and without approval by any court.

Subject to the terms of this Agreement, the Trustee shall not be held liable for any loss to the estate or to any beneficiary resulting from his or her good faith efforts to manage the trust and use any discretion given them in this Agreement.

If any Trust condition is held invalid or unenforceable, it will not affect any other provisions that can be given effect without the invalid provision.

## Right to Direct Investments.

At any time that the Trust has investments and provided that the Grantor does not have a disability, as defined above, the Grantor may direct any Trustee to purchase, sell, or retain any Trust investment.

## Revocation or Amendment.

During the Grantor's lifetime, the Grantor may revoke or amend at any time this Agreement by delivering to the Trustee an appropriate written revocation or amendment, signed by the Grantor.

If the Trustee consents, the powers of revocation, but not the power of amendment, may be exercised by a duly appointed and acting attorney-in-fact for the Grantor for the purpose of withdrawing assets from the Trust.

## Rule Against Perpetuities Clause.

Despite any other provision of this Agreement to the contrary, the trust created by this Agreement shall terminate no later than 21 years after the death of the last surviving beneficiary of this Agreement who is living at the time of the death of the Grantor, at the end of which time distribution of all principal and all accrued, accumulated, and undistributed income shall be made to the persons then entitled to the distributions, in the manner and proportions herein stated free of trust.

## Miscellaneous Provisions.

The titles at the heads of the paragraphs of this Trust are inserted for reference purposes only and are not to be considered as forming a part of this Trust in interpreting its provisions. All words used in this Trust in any gender shall extend to and include all genders, and any singular words shall include the plural expressions and vice versa. Any pronouns shall be taken to refer to the person or persons intended regardless of gender or number.

For the purposes of determining the appropriate distributions under this Trust, no person or organization shall be deemed to have survived the Grantor unless such person or entity is also surviving or in existence on the thirtieth day after the date of the Grantor's death.

No fiduciary who is a natural person shall, in the absence of fraudulent conduct or bad faith, be liable individually to any beneficiary of the Grantor's trust estate, and the Grantor's trust estate shall indemnify such natural person from any and all claims or expenses in connection with or arising out of that fiduciary's good faith actions or nonactions of the fiduciary, except for such actions or nonactions which constitute fraudulent conduct or bad faith. No successor trustee shall be obliged to inquire into or be in any way accountable for the previous administration of the trust property.

If the value of the Trust is insufficient to fulfill all of the bequests that the Grantor has described in this Agreement, the Trustee shall decrease each bequest by a proportionate amount according to the Trustee's discretion and best judgment.

If any beneficiary named in this Agreement contests in court any of the provisions of this Trust, then each and all such persons shall not be entitled to any devises, legacies, bequests, or benefits under this Trust, and such interest or share in the trust estate shall be disposed of as if that contesting beneficiary had not survived the Grantor.

## Governing Law.

This Trust shall be governed by the laws of .

State

The Parties agree to the terms and conditions set forth above as demonstrated by their signatures as follows:

Witness’s Printed Name Witness’s Printed Name

Witness’s Signature Witness’s Signature

Grantor’s Printed Name

Grantor’s Signature

Date

hereby accepts the Trust hereinabove created upon the terms set forth herein and agrees to act as Trustee thereunder.

Trustee’s Printed Name

Trustee’s Signature

Date

# Certificate of Acknowledgment

On , before me, , personally appeared, , and

, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public’s Printed Name Date

Notary Public’s Signature Commission Expiration Date

# Schedule A

The Grantor has transferred, assigned, conveyed, and delivered to the Trustee the following assets to be held, managed, and distributed under the terms of this Living Trust as described above: