

# **DISCLAIMER TRUST**

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## **REVOCABLE TRUST AGREEMENT**

**THIS TRUST AGREEMENT**, made and entered into this      day of May 2017, by and between ^, of the Town of ^, County of ^, and State of Connecticut (hereinafter referred to as Settlor), and ^, of the Town of ^, County of ^, and State of Connecticut, Trustee (hereinafter referred to as “Trustee”) whereby the Trustee agrees to hold the property transferred, or which may be transferred hereunder, by the Settlor or by other persons, by gift, devise, bequest or other means as a Trust Estate for the following uses and purposes:

### **PART I**

#### **DISPOSITIVE PROVISIONS**

##### **1.1 Income and Principal Distributions While the Settlor is Living.**

**A.** During the lifetime of the Settlor, the Trustee shall hold the trust property (including any property hereafter received from the Settlor or any other person), and shall collect the income, if any, and proceeds of the Trust Estate, and shall pay to or expend for the benefit of the Settlor, the Settlor's spouse, ^, and the Settlor’s issue, during the Settlor's lifetime, so much of the annual net income of the Trust Estate, and such part (or all) of the principal thereof as the Settlor from time to time may request or direct. In addition, the Trustee may borrow money and mortgage or pledge trust assets as security therefor, in such amounts and upon such terms and conditions as the Settlor may direct or the Trustee may determine. In the absence of any such direction or requests by the Settlor, the Trustee may from time to time pay to or expend for the benefit of the Settlor, the Settlor's said spouse, and the Settlor’s issue, during the Settlor's lifetime, so much of the annual net income of the Trust Estate, and such part (or all) of the principal thereof as the Trustee, in the Trustee's sole and absolute discretion, shall deem advisable for the most comfortable care, health, maintenance, welfare, support, education, happiness, luxuries, and any needs arising from illness, accidents or other emergencies of the Settlor, the Settlor's said spouse, and Settlor’s issue. The Trustee is hereby exonerated from any liability in connection with making such payments and distributions in the exercise of the Trustee’s absolute discretion. The Trustee shall accumulate and add to the principal of the Trust Estate, and thereafter distribute as a part thereof, any of the annual net income not previously expended hereunder.

**B. 1.** The Trustee is hereby authorized in the Trustee's sole and absolute discretion to make a gift or gifts of real or personal property from time to time directly from the Trust Estate to Settlor's spouse, Settlor's issue, and/or charitable organizations on behalf of the Settlor during the Settlor's lifetime, in such amounts, without limitation, as the Trustee deems appropriate. However, the Trustee is requested (but not directed) to administer, manage and distribute Settlor's Trust Estate in a manner which substantially complies with the final distribution provisions set forth in Paragraph B. of Section 1.3. The Trustee is authorized to consider making any such gifts, even if there has been no prior pattern of such gifts. The Trustee is hereby exonerated from any liability in connection with making such payments and distributions in the exercise of the Trustee's absolute discretion.

**2.** Whenever the Trustee decides to make any gift or gifts, the Trustee shall immediately take appropriate action to complete such gift or gifts from the trust estate on behalf of the Settlor. All gifts made on behalf of the Settlor under the procedure described herein must be completed (securities must be delivered to the donee or mailed to the transfer agent of the issuer for registration in the name of the donee or a check for cash or a bearer instrument or an article of tangible personal property must be mailed to or delivered to a donee, and in the case of a donee under the age of twenty-one (21) years the delivery or mailing can be made to his or her custodian under the Connecticut Uniform Transfers to Minors Act and, if no such custodian is then in existence, the Trustee may appoint such a custodian) during the lifetime of the Settlor or said gifts will remain part of this trust estate.

**3.** The Settlor intends that said gifts be made by the Settlor as if the donated property was first withdrawn by the Settlor and then given to the donee or donees by the Settlor (or by the Trustee on the Settlor's behalf). Such a withdrawal and subsequent gift by the Settlor shall be made whenever possible. However, if the Trustee instead transfers the donated property directly from the trust to the donee, to avoid the expense and delay of multiple retitling, such a transfer shall be treated for all purposes as if the donated property had in fact first been withdrawn by the Settlor and then given by the Settlor to the donee or donees.

## **1.2 Division of the Trust Estate Upon the Settlor's Death:**

### **A. Distribution if Settlor's Spouse Survives the Settlor**

1. Upon the Settlor's death, if the Settlor's spouse, ^, shall survive the Settlor, the Trustee shall distribute the Trust Estate as then constituted and held hereunder (including any property held under the Settlor's Will or otherwise) to the Settlor's spouse, ^, outright and free of Trust.

2. In the event the Settlor's said spouse, ^, or said spouse's personal representative shall disclaim, in whole or in part, any or all interest in the Trust Estate, said disclaimed interest shall be held, administered and distributed as part of the ^ Family Trust under the terms of Section 1.3 of this Trust Agreement. The Settlor's spouse shall have no power of appointment, if such be present in the ^ Family Trust, with respect to such disclaimed property.

3. Any such disclaimer by Settlor's said spouse shall be made in writing, witnessed and acknowledged, and within the time period necessary to treat such disclaimer as a "qualified disclaimer" as that term is defined in Section 2518 of the Internal Revenue Code of 1986, as amended.

### **B. Distribution if the Settlor's Spouse Predeceases the Settlor:**

Upon the Settlor's death, if the Settlor's spouse, ^, shall have predeceased the Settlor, then the Trust Estate shall be held, administered and distributed as part of the ^ Family Trust under the terms of Paragraph B. of Section 1.3 of this Trust Agreement.

## **1.3 Family Trust Provisions:**

The ^ Family Trust shall be administered as follows:

A. Commencing as of the date of the Settlor's death and during the life of the Settlor's spouse, ^, the Trustee may pay to or expend for the benefit of Settlor's said spouse and the Settlor's then living issue, in such equal or unequal shares, so much of the annual net income and/or principal of the ^ Family Trust, even to the extent of exhausting principal, as the Trustee from time to time determines, in the Trustee's sole and absolute discretion, reasonable and necessary for said beneficiaries' health, support, maintenance, and/or education. In no event, however, may the Trustee distribute income or principal of the Trust to any beneficiary in a manner that would discharge or satisfy the Trustee's legal obligation of support of such beneficiary. The Settlor's primary concern during the life of the Settlor's said spouse is for the Settlor's spouse's health, support, maintenance and/or education, and the Trustee need not consider the interest of any other beneficiary in making distribution of income and/or principal to the Settlor's said spouse from the Trust Estate, even to the

extent of exhausting principal. Among the circumstances and factors which the Trustee shall consider in determining whether to make discretionary distributions of principal to the Settlor's said spouse are the other income and assets known to the Trustee to be available to the Settlor's said spouse and the advisability of supplementing such income or assets. The Trustee shall have no duty to equalize any unequal distributions or to take into account differences in benefits previously received by any beneficiary of this Trust in making subsequent distributions therefrom. Any income not expended hereunder may be accumulated and periodically added to principal.

**B. 1.** Upon the death of the survivor of the Settlor and the Settlor's spouse, ^, the Trust shall terminate and the Trustee shall divide and distribute the balance of the Trust Estate, (including any property received under the Settlor's Will, or otherwise) as it is then constituted, in equal shares to the Settlor children, ^, of ^, ^, and ^, of ^, ^, to be theirs absolutely if they shall survive the Settlor and the Settlor's said spouse. In the event either of the Settlor's said children shall not survive the Settlor and the Settlor's said spouse, then the living issue of any such deceased child shall take, per stirpes, the share such deceased child would have taken had such child survived the Settlor and the Settlor's said spouse, subject to the provisions of Paragraph B. 2 of this Section 1.3; or if either child should predecease without issue, then such share shall pass instead to the Settlor's then living issue, per stirpes, subject to the provisions of said Paragraph B. 2.

**2.** Any part of any trust established under this Trust Agreement which becomes distributable, to any beneficiary of the Settlor who have not attained the age of twenty-five (25) years, may be retained by the Trustee hereof, in the Trustee's sole and absolute discretion, in Trust to be held and administered as a separate share for each such beneficiary. The Trustee may pay over to, or expend for the benefit of each such beneficiary so much of the annual net income and/or principal of his or her portion of the Trust as the Trustee, from time to time determines, in the Trustee's sole and absolute discretion, reasonable and necessary for his or her health, maintenance, support and education. In no event, however, may the Trustee distribute income or principal of the Trust to any beneficiary in a manner, which would discharge or satisfy the Trustee's legal obligation of support of such beneficiary. The Trustee may accumulate and periodically add to the principal of said part any income not so expended. As such beneficiary shall reach the age of twenty-five (25) years, such separate portion of the Trust shall terminate as to such beneficiary and the Trustee shall pay over and distribute the balance of the beneficiary's separate portion of the Trust Estate to such beneficiary in fee, and free of Trust. If such beneficiary shall die before attaining the age of twenty-five (25) years, then upon his or her death, the Trustee shall pay over and distribute the balance of

his or her separate portion of the Trust Estate (including accumulated income), to such beneficiary's estate, free of any trust. To the extent more than one part is set out for any such beneficiary hereunder they shall be combined into one separate trust and administered and distributed accordingly.

**1.4 Provisions with Regard to Generation Skipping Tax:**

**A.** Notwithstanding any other provision of this Trust Agreement:

**1.** If a trust created under this Trust Agreement (the "original trust") would otherwise be partially exempt from the then available federal estate tax Generation-Skipping Tax Exemption (hereinafter "GST Exemption") effective at that time in accordance with the provisions of Section 2631 and such related provisions of Chapter 13 of the Internal Revenue Code of 1986 (the "Code") after the intended allocation of a GST Exemption to it, then, before such allocation and as of the relevant valuation date under Section 2642 of the Code with respect to such allocation, the Trustee may (but need not) create instead two separate trusts of equal or unequal value which shall be funded fractionally out of the available property, and which shall be identical in all other respects to the original trust, so that the allocation of GST Exemption can be made to one trust which will be entirely exempt from federal generation-skipping tax. The two trusts created under this Paragraph A.1 of this Section 1.4 shall have the same name as the original trust except that the trust to which the GST exemption is allocated shall have the phrase "GST EXEMPT" added to its name.

**2.** If property which is held in, or is to be added or allocated to, a trust pursuant to this Trust Agreement is subject to different treatment for any reason for purposes of the generation-skipping tax under Chapter 13 of the Code, than other property being added or allocated to, or also held in, that trust, then the Trustee may (but need not) hold such property instead as a separate trust that is appropriately designated to distinguish it from the trust to which the property otherwise would have been allocated, but that is identical in all other respects to that trust.

**3.** It is the intent of the Settlor that the Trustee shall not be required to create or administer a trust under this Trust Agreement that is only partially exempt from generation- skipping taxes, or to commingle property subject to different treatment for generation-skipping tax purposes whether because the transferors with respect to the property are assigned to different generations or otherwise. The provisions of this Paragraph A. of this Section 1.4 are intended to enable the Trustee to avoid situations by empowering the Trustee to segregate Trust Property (i) that is entirely exempt from generation-skipping tax from Trust property that is not exempt, or (ii) that is otherwise treated

differently from other Trust property for purposes of the generation-skipping tax, and the provisions of this Paragraph A. should be applied in a manner consistent with this intention.

**B.** To the extent it is consistent with the Trustee's fiduciary obligations, the Trustee, in making discretionary distributions of net income and principal from the related trusts referred to in Paragraph A. of this Section 1.4, shall take advantage of the opportunities provided by the creation of such related trusts to avoid or delay generation-skipping tax when making discretionary distributions, and to maximize the amount of Trust property that eventually may be distributed to the Settlor's grandchildren or more remote descendants without transfer tax of any kind at the termination of all trusts created under this Trust Agreement.

## **PART II**

### **POWERS OF THE TRUSTEE**

#### **2.1 General Trust Powers:**

In addition to any powers and authorities conferred by law, and those hereinabove conferred upon the Trustee, and subject to any limitations contained in this Part II, a Trustee hereunder shall have the following powers and authority:

- (a) To retain for such time as the Trustee shall deem advisable any property, real, personal or mixed, which the Trustee may receive, even though the retention of such property by reason of its character, amount or otherwise, would not be appropriate for the Trustee apart from this provision.
- (b) To sell, grant options to purchase, exchange and alter assets of any Trust at any price which the Trustee acting in good faith shall consider represents an adequate consideration in money or in money's worth, and upon any terms which the Trustee shall deem proper.
- (c) To invest, and reinvest from time to time all or any part of any Trust in such stocks, common or preferred, common trust funds, bonds, debentures, notes, securities, life insurance and annuity contracts, or other real or personal property, either of the class or kind now or hereafter ordinarily approved or held to be lawful for the investment of Trust funds, or not, as the Trustee in the Trustee's absolute discretion, may select, and to make and change such investments from time to time according to the Trustee's discretion; provided, however, in the investing and reinvesting of any property held by the Trustee, the Trustee is requested to consult with the Settlor during the Settlor's lifetime insofar as is practicable. The Trustee is hereby exonerated from any liability in connection with any action taken with the consent of said persons.

- (d) To lease property on any terms and conditions and for any term of years although extending beyond the period of any Trust.
- (e) To insure, improve, repair, alter and partition real estate; erect or raze improvements; grant easements; subdivide and dedicate to public use.
- (f) To exercise in person or by proxy, all voting options, subscription, reorganization, consolidation, merger and liquidation rights, and all other rights and privileges of whatsoever nature, incident, appurtenant or pertaining to securities in any Trust and, in connection therewith to enter into any covenant or agreement binding any Trust, and to purchase any new securities issued as a result of, or in connection with, any such act.
- (g) To settle, compromise, arbitrate, contest or abandon claims or demands in favor of or against any Trust, and the discretion of the Trustee in this respect shall be conclusive and binding.
- (h) To borrow money and to assume indebtedness for such periods of time and upon such terms and conditions as to rates, maturities, renewals and security, as the Trustee shall deem advisable, even beyond the period of administration of the Settlor's estate, for the purpose of paying any taxes charged against the Settlor's estate or any Trust, or any part thereof, and to mortgage, pledge or otherwise encumber such portion of the Settlor's estate or any Trust, as may be required to secure such loan or loans.
- (i) To make any divisions, payments and partial or final distributions pursuant to the terms of any Trust, using cash, securities or other property, of whatsoever nature and in whatever proportions the Trustee in the Trustee's judgement, shall deem appropriate, and the judgement of the Trustee shall be final. Except as otherwise provided, the Trustee shall have absolute discretion, which shall not be subject to review, to distribute or allocate property without respect to income tax basis and in making any such distribution or allocation, and the Trustee shall have no duty of impartiality.
- (j) To hold the principal of two or more Trusts or Trust Estates created hereunder in one or more consolidated funds in which the separate shares shall have undivided interests.
- (k) To pay any sum or sums due any minor hereunder directly to such minor, or to his or her parent or parents on his or her behalf, or to such other person or persons and in such manner as the Trustee may deem for such minor's benefit and such payment shall be a full and complete discharge.
- (l) To engage the services of competent legal, accounting and investment counsel to assist and advise the Trustee in the administration of any Trust, and to pay for such services out of the principal or income as the Trustee, in the Trustee's discretion, shall determine.

- (m) To determine the market value of any investment of any trust for any purpose on the basis of such quotation, evidence, data or information as the Trustee may deem pertinent and reliable.
- (n) To register any securities in the name of a nominee or in any form in which title will pass by delivery.
- (o) To determine whether any money or other property coming into the control of the Trustee is part of the principal of any Trust or Trust Estate, or the gross income therefrom or the net income available for distribution thereunder.
- (p) To apportion between principal and income any loss or expenditures which in the opinion of the Trustee, should be apportioned and which to the Trustee may seem just and equitable, and any such determination as between principal and income so made by the Trustee in good faith shall be conclusive and binding upon all beneficiaries or other persons interested in any Trust or Trust Estate.
- (q) To exercise any stock options owned by the Settlor or acquired by or held in any Trust, to borrow money and pledge any assets, including stock acquired by the exercise thereof, to obtain funds for the exercise thereof, to retain any stock purchased by the exercise of such options for such time as the Trustee deems advisable, and to exercise all other powers in respect of such stock.
- (r) To retain and to purchase insurance contracts on the life of any beneficiary or any person in whom a beneficiary has an insurance interest, or annuity contracts for any beneficiary, and to pay the premiums thereon out of such beneficiary's portion of principal or income as the Trustee, in the Trustee's discretion, may determine.
- (s) To retain any residential real property or apartment (including a cooperative or condominium) received by the Trustee hereunder, to purchase, to rent and to maintain residential real property or any apartment (including a cooperative or condominium) for occupancy, rent free, by any of the beneficiaries hereunder, so long as one or more of them wish to occupy it as a home, and to sell it when it is no longer so occupied; to pay all rent, taxes, assessments, repairs and other charges for maintaining such real property or apartment, including title, public liability, fire and extended coverage insurance, and to make such purchases or payments out of the principal or income of the applicable Trust Estate, in accordance with applicable law, and as the Trustee, in the Trustee's sole and absolute discretion, shall determine.
- (t) The Trustee may act or may select one or more persons or corporations to act as ancillary Trustee or fiduciaries and, to the extent permitted by applicable law, all of the powers held by the domiciliary Trustee are hereby granted to the ancillary Trustee or fiduciaries and all costs of ancillary administration may be paid from either the domiciliary estate or the ancillary estate as the Trustee may decide in the Trustee's sole and absolute discretion.

- (u) To disclaim part or all of any one or more of the incorporated or specifically granted powers of the Trustee by instrument in writing filed with this document.
- (v) To comply with the terms of any Agreement entered into by the Settlor and in effect at the Settlor's death, with respect to the operation or disposition of any interest in a business and/or partnership which is owned by the Settlor at the time of the Settlor's death. In addition, subject to the terms of any such Agreement to the extent and upon such terms and conditions and for such periods of time as the Trustee shall deem necessary or advisable, the Trustee shall, during the term that any such business and/or partnership is a part of the Trust Estate, possess the power to continue or participate in the operation of any business or other enterprise, whatever its form or organization (herein referred to as "business"), including but not limited to the power:
  1. to effect incorporation, dissolution, re-organization, merger, consideration or sale of all or substantially all of the assets, either for cash or in exchange for stock or other securities, or to make other changes in the form of the organization of any business, and to diminish, enlarge or change the scope of nature or nature of any business;
  2. to dispose of any business interest therein as soon after the Settlor's death as the Trustee may consider advisable or to acquire the interest of other businesses therein;
  3. to contribute thereto or invest therein additional capital or to lend money thereto, in any such case upon such terms and conditions as the Trustee shall approve from time to time;
  4. to determine whether the liabilities incurred in the conduct of the business are to be chargeable solely to the part of the Trust Estate set aside for use in the business or to the Trust Estate as a whole, but such allocation must be done in accordance with applicable law;
  5. to control, direct and manage the business; provided, however the Trustee may delegate all or any part of the Trustee's power to supervise and operate the business to such person or persons as the Trustee may select, including any associate, partner, officer or employee of the business;
  6. to hire and discharge officers and employees, to fix their compensation and define their duties; and to employ, compensate and discharge agents, attorneys, consultants, accountants and such other representatives as the Trustee may deem appropriate, including the right to employ any beneficiary, or individual Trustee, in any of the foregoing capacities;
  7. to pledge any assets of the Trust Estate as security for loans made to such business;

8. to retain in the business such amount of the net earnings for working capital and other purposes of the business as the Trustee may deem advisable in conformity with sound business practice;
  9. to purchase, process and sell merchandise of every kind and description;
  10. to purchase and sell machinery and equipment, furniture and fixtures and supplies of all kinds;
  11. to sell or liquidate all or any part of any business at such time and price and upon such terms and conditions, including credit, as the Trustee may determine, including a sale to any partner, officer or employee of the business or to any individual Trustee as beneficiary hereunder, provided any such sale shall be for adequate and full consideration;
  12. to redeem any or all of the shares of any or all of the stockholders of any business, even though the result of such redemption would be that a majority interest would be changed into or reduced to a minority interest.
  13. to invest any other Trust Estate assets in such business;
  14. in all cases in which the Trustee is required to furnish statements to beneficiaries or to file accounts in any court or in any other public office, it shall not be necessary to itemize business receipts and disbursements and distributions of property but it shall be sufficient for the Trustee to show in the account a single figure or consolidation of figures, and the Trustee shall be permitted to account for money and property received from the business and any payments made to the business in lump sum without itemization; and
  15. the Trustee shall not be held liable for any loss resulting from the retention or operation of any such business, or for any other actions that they may take in good faith, with respect to any such business.
- (w) To continue any agricultural, horticultural, and greenhouse operation received by said Trustee pursuant to Grantor's will or other instrument and to do any and all things deemed advisable by the Trustee in the management and maintenance of any farm, which term includes, but is not limited to, a farm, garden, orchard, ranch, greenhouse, timber tract, dairy or "hospitality" (to be applied very broadly including such activities as campgrounds, leisure, recreation, attractions, and in such other manner consistent with or an expansion of the past business activities of the various business enterprises of ^), and to do any and all things concerning the production and marketing of crops and dairy, poultry, livestock, horticultural and greenhouse products, orchard and forest products including but not limited to the following powers:
1. to operate the farm with hired labor, tenants or sharecroppers;
  2. to lease or rent the farm for cash or for a share of the crops;

3. to purchase or otherwise acquire farm machinery and equipment and livestock;
  4. to undertake the construction, repairs and improvements to farm buildings of all kinds needed in the Trustee's judgment, for the operation of the farm;
  5. to make or obtain loans or advances at the prevailing rate or rates of interest for farm purposes such as for production, harvesting, or marketing, or for the construction, repair, or improvement of farm building, or for the purchase of farm machinery or equipment or livestock;
  6. to employ approved soil conservation practices in order to conserve, improve, and maintain the fertility and productivity of the soil; to protect, manage and improve the timber and forest on the farm and sell the timber and forest products when it is for the best interest of the estate, or any trust;
  7. to protect, manage and improve the timber and forest on the farm and sell the timber and forest products when it is for the best interest of the estate, or any trust;
  8. to ditch, dam and drain damp or wet fields and areas of the farm when and where needed;
  9. to engage in the production of livestock, poultry or dairy products, and to construct such fences and buildings and plant such pastures and crops as may be necessary to carry on such operations;
  10. to market the products of the farm;
  11. in general, to employ good husbandry in the operation of the farm; provided, however the Trustee may delegate any power granted to the Trustee under this subparagraph to such person or persons as the Trustee may select. The Trustee shall not be held liable for any loss resulting from the retention or operation of any such farm, or for any other actions that the Trustee may take in good faith with respect to such farm.
- (x) To file appropriate consent of the continuation of any S election in existence at the time of the contribution to this Trust, within the time period required by the applicable provision of the Federal Internal Revenue Code then in effect and to make or terminate elections with respect to S corporation stock and to make adjustments between income and principal to compensate for the effects of the consequences resulting from the ownership by the trust of S corporation stock, as the Trustee may deem just and equitable; except that if the trust holds S corporation stock the Trustee

shall not make adjustments which could have the effect of denying to any income beneficiary the net income of the trust to which the beneficiary must be entitled in order for the trust to qualify as a permissible shareholder of an S corporation and, if applicable, the federal estate tax marital deduction; and during the term of any trust under this instrument, (i) if the Trustee sells any interest in a corporation or if the assets of any entity constituting a corporation in which the trust has an ownership interest are sold, and (ii) if that corporation has made an election to be taxed under Subchapter S of the Code, then the Trustee, may, in the Trustee's absolute and sole discretion, distribute to the income beneficiary such amounts of principal as shall be necessary to pay any income tax caused by such sale, if the income or gain attributable to such sale is taxed directly to the income beneficiary under applicable Federal tax law.

- (y)** The Trustee may act or may select one or more persons or corporations to act as ancillary fiduciary or fiduciaries and, to the extent permitted by applicable law, all of the powers held by the domiciliary fiduciary are hereby granted to the ancillary fiduciary or fiduciaries and all costs of ancillary administration may be paid from either the domiciliary estate or the ancillary estate as the Trustee may decide in the Trustee's sole discretion.
- (z)** To make elections under the tax laws as the Trustee deems advisable, and the Trustee shall have no liability for, or obligation to make compensation adjustments between principal and income on the interests of the beneficiaries by reason of, the effects of those elections. Any decision made by the Trustee with respect to compensatory adjustments on the exercise of any tax election shall be binding and conclusive on all persons.
- (aa)** To make contracts and to execute instruments, under seal or otherwise, as may be necessary in the exercise of the powers herein granted. No party dealing with the Trustee need inquire as to the existence or proper exercise of any power of the Trustee, whether said power is granted directly or incorporated by reference.
- (bb)** The Trustee is hereby exonerated from any liability resulting from the Trustee's retention, sale or operation, whether due to losses, depreciation in value or actions taken or omitted to be taken with respect to any business, farm or real estate interests, nor shall the Trustee be liable for any loss to or depreciation of any other trust property, so long as the Trustee is acting in good faith in the management thereof and exercising reasonable care and diligence, but the Trustee is not exonerated from his own bad faith, willful misconduct or gross negligence.
- (cc)** To exercise every power and discretion in the management of the Trust as the fiduciary would have if it were the absolute owner thereof. This general power shall not be limited in any way by the powers incorporated or granted herein, but no beneficiary serving as a co-fiduciary may participate in any decision, under this or any other power, that affects or could affect the share of such beneficiary relative to that of any other beneficiary in income, principal or in a trust remainder.

- (dd) To receive any property, real or personal, to be added to the trust from the Settlor in any event (and, if the Trustee consents in writing from any other person) by lifetime or testamentary transfer or otherwise.
- (ee) To access, modify, control, archive, transfer, and delete Settlor's digital assets. Digital assets include the Settlor's sent and received emails, email accounts, digital music, digital photographs, digital videos, gaming accounts, software licenses, social-network accounts, file-sharing accounts, financial accounts, domain registrations, Domain Name System (DNS) service accounts, blogs, list serves, web-hosting accounts, tax-preparation service accounts, online stores and auction sites, online accounts, and any similar digital asset that currently exists or may be developed as technology advances. Digital assets may be stored on the cloud or on Settlor's own digital devices. The Trustee may access, use, and control Settlor's digital devices in order to access, modify, control, archive, transfer, and delete Settlor's digital assets—this power is essential for access to Settlor's digital assets that are only accessible through Settlor's digital devices. Digital devices include desktops, laptops, tablets, peripherals, storage devices, mobile telephones, smartphones, and any similar hardware that currently exists or may be developed as technology advances.
- (ff) In addition to the foregoing powers and authorities the Settlor vests the Trustee (including the successor Trustee herein named) with the powers enumerated in the "Fiduciary Powers Act" as set forth in the Connecticut General Statutes, Sec. 45a-234 (formerly Sec. 45-100e) and as amended.

## **2.2 Payment of Debts, Taxes and Expenses:**

Subject to the provisions of 2.8, the Trustee, at the request of the Settlor's Executrix, shall contribute to the Settlor's estate and/or, in the Trustee's sole discretion, may lend or contribute to the Settlor's estate, for the preservation of any legacies contained in the Settlor's Will and/or for the payment of any debts, administration and funeral expenses, federal and state estate, inheritance and succession taxes incurred by reason of the Settlor's death; provided, however, that in no event shall any of the aforesaid legacies, debts, expenses and taxes of the Settlor be paid from any asset or the proceeds thereof, not includable in the Settlor's estate for federal estate tax purposes.

## **2.3 Provisions with Regard to Life Insurance:**

During the Settlor's lifetime, the Trustee shall have no responsibility to pay any premium or other charge due on any policy. When any policy has, to the knowledge of the Trustee, matured, the Trustee is authorized to:

- (a) Collect all sums payable, including but not limited to:
  - (i) The face amount;

- (ii) Additional insurance purchased by dividends;
- (iii) Dividends left at interest, together with such interests:
- (iv) Annual dividends and any special, final or post mortem dividends or distribution;

and, except as provided in Section 2.2 above, the Settlor's Executrix shall not be entitled to receive any of such sums from the Trustee.

- (b) Elect, subject to any limitations contained in this Part II, any optional mode of settlement.
- (c) Institute litigation to collect such sums if indemnified to the Trustee's satisfaction.
- (d) Compromise and adjust claims with respect to such sums which arise out of the policy, upon such terms and conditions as the Trustee in the Trustee's discretion might decide without the order of any court;

provided, however, that nothing herein shall be construed as entitling or authorizing the Trustee to collect from the Settlor's estate any premiums on any policy which are due and unpaid or are deductible from the proceeds at the time of the Settlor's death.

#### **2.4 Appointment of Ancillary Trustee:**

The Trustee is authorized to appoint another Trustee to act on behalf of the Trust Agreement in any jurisdiction (including, but not limited to, any state, government enclave, possession of the United States, foreign country, or possession of the United States, foreign country, or possession of a foreign country), in which the named Trustee, or any Successor, shall for any reason be unable to so act.

#### **2.5 Small Trust Termination:**

If at any time after the death of the Settlor, the value of the principal assets of the funds comprising any issue's portion of the Trust established under Section 1.3 shall be less than TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00), then the Settlor directs that such trust or trusts shall not be established or shall terminate, as the case may be.

#### **2.6 Distributions to Avoid Undistributed Income:**

With respect to any trust governed by this instrument, the Trustee is authorized to distribute to any one or more of the beneficiaries from the principal thereof such sums as in the sole discretion

of the Trustee shall be sufficient to insure such trust being treated under the Federal Income Tax Law as one having "no undistributed net income" for a given taxable year, as that term is defined in Section 665 of the Internal Revenue Code, as amended, if the Trustee in the Trustee's sole discretion shall deem such treatment desirable for any reason.

**2.7 Distribution Limited to Ascertainable Standard:**

Anything in this Trust Agreement to the contrary notwithstanding, the general discretionary powers of the Trustee, other than the Settlor if the Settlor is serving as Trustee, shall be limited so that (i) no Trustee with a beneficial interest in Trust income or principal (hereinafter "interested Trustee") shall participate in any decision regarding a discretionary distribution to that Trustee personally or to any other beneficiary, except to the extent governed by and made pursuant to a standard under this Trust Agreement which constitutes an ascertainable standard within the meaning of Sections 2041 and 2514 of the Internal Revenue Code of 1986, as from time to time amended, and (ii) no Trustee may use Trust income or principal to discharge the legal obligation of that Trustee individually to support or educate a beneficiary hereunder. Any decision regarding a discretionary distribution to an interested Trustee personally or to any other beneficiary that is not governed by and made pursuant to a standard under this Trust Agreement which constitutes an ascertainable standard within the meaning of Sections 2041 and 2514 of the Internal Revenue Code of 1986, as from time to time amended, and any decision regarding a distribution of Trust income or principal to discharge the legal obligation of an interested Trustee individually to support or educate a beneficiary hereunder may only be made by a limited purpose Successor non-interested Trustee who shall be appointed in accordance with the provisions of Section 3.2, and all such interested Trustee decisions shall rest exclusively in the discretion of this limited purpose Successor non-interested Trustee. All other

decisions, duties and responsibilities shall rest with the remaining sole Trustee otherwise serving in such capacity.

**2.8 Provisions Regarding Payment of Retirement Benefits to Non-individual Beneficiaries:**

To the extent practicable, the Trustee is advised not to distribute to or for the benefit of the Settlor's estate, any charity or any other non-individual beneficiary any benefits payable to this Trust under any qualified retirement plan, individual retirement account or other retirement arrangement subject to the "minimum distribution rules" of Section 401(a)(9) of the Internal Revenue Code, or other comparable provisions of law. It is the Settlor's intent that, to the

extent practicable, such retirement benefits be distributed to or held for only individual beneficiaries, within the meaning of Section 401(a)(9) and applicable regulations and that such benefits not be used or applied for payment of debts, taxes, expenses of administration or other claims against the Settlor's estate; nor for payment of estate, inheritance or similar transfer taxes due on account of the Settlor's death except to the minimum extent that would be required under applicable state or federal tax apportionment law in the absence of any specific provision on the subject in the Settlor's Will or this Trust. This Section shall not apply to any charitable bequest that is specifically directed to be funded with retirement benefits by other provisions of this Trust.

**2.9 Provisions regarding payment of Retirement Benefits to Individual Beneficiaries:**

A. This Section contains provisions for the withdrawal and distribution of qualified Retirement Plan Benefits to individual beneficiaries. To the extent not otherwise directed or inconsistent with other terms of this Trust, or beneficiary designations, the Trustee is directed to divide any such retirement benefits into separate shares, proportional to and in accordance with the terms of Section 1.3 hereof as to the beneficiaries otherwise taking thereunder.

**1. Withdrawal of Required Minimum Distributions:**

Each year beginning with the year of the Settlor's death, the Trustee shall withdraw from qualified retirement accounts payable to each separate share of the Trust, the greater of the minimum required distribution under Section 401(a)(9) of the Internal Revenue Code and that portion of the qualified retirement accounts that constitutes the accounting income of the qualified retirement accounts.

**2. Required Conduit Distributions:**

Notwithstanding any other provision of this agreement, the Trustee is directed to distribute any and all amounts withdrawn from any qualified retirement accounts payable to the Trust to each such respective beneficiary of each separate share of the Trust as soon as possible during the term of such Trust. Amounts withdrawn and distributed under this Section shall be taken into account in satisfying the requirement for mandatory distribution of all income under Section 401(a)(9) of the Code. The purpose of this subsection is to qualify each such separate share of this Trust as a "conduit trust" under Treasury Regulation Section 1.401(a)(9)-5, A-7, Example 2. This subsection is to be interpreted, and to the extent necessary modified, by the Trustee, effective *ab initio* to the date of Settlor's death, to constitute a conduit trust for purposes of the required minimum distribution rules. The Trustee may deduct trust expenses prior to payment to each such respective beneficiary of each separate share of the Trust provided deduction of expenses does not disqualify conduit trust status.

**B.** Notwithstanding any other provision hereof, except as otherwise provided in the Trust, the Trustee shall on or before September 30 of the calendar year following the calendar year in which the Settlor's death occurs, or on or after such earlier date as shall be established by IRS regulations or other guidance as the final date for determining whether this Trust meets the requirements for treatment of the Trust's beneficiaries as if they had been named directly as beneficiary of any retirement plan payable to the Trust (the "Designation Date"), divide any such retirement benefits accounts into separate shares proportionately among each such separate share of the Trust.

**C.** In this instrument, the term "Retirement Benefit" means any benefit or amount that is owned by or payable to this trust under: an individual retirement account ("IRA") as defined in §408; a Roth IRA as defined in §408A; a "deemed" IRA or Roth IRA under §409(q); an annuity or mutual fund custodial account under §403(b); a pension, profit sharing stock bonus or other retirement plan that is qualified under §401(a); any other retirement plan or arrangement that is subject to the minimum distribution rules of §401(a) (9), or equivalent rules under any other Code section; any annuity, or any plan or arrangement or deferred compensation for services. The plan, trust, account or arrangement under which any Retirement Benefit is held for or payable to this trust is referred to as a "Retirement Plan".

**PART III**  
**TRUSTEE PROVISIONS**

**3.1 Resignation of Trustee:**

Any Trustee (including any Successor Trustee) may resign by giving at least thirty (30) days notice of the Trustee's intention to do so delivered personally or by certified mail to the Settlor, if living, or if the Settlor has previously died, to the then permissible income beneficiaries of the Trust Estate.

**3.2 Alternate or Successor Trustees:**

**A.** Upon the initial Trustee's death, incompetence, resignation, removal or other inability to act during any time while this Trust Agreement shall remain in force, the Settlor hereby appoints Settlor's ^, ^, as Successor Trustee of this Trust Agreement. In the event of the death, incompetence, resignation, removal or other inability of said ^to act as Trustee, then the Settlor nominates and appoints Settlor's ^, ^, as Successor Trustee of this Trust Agreement. At any time the Settlor's said ^ or the Settlor's said ^ are serving as Successor Trustee, they may appoint by specific written instrument one or more additional Trustees or one or more Successor Trustees. Such appointment(s) may take affect (i) immediately, or (ii) as a vacancy occurs due to death, resignation, incompetence, removal, or other inability of the Trustee to act in such capacity, or (iii) at such other time as designated by the Settlor's said ^ or ^. Thereafter, in the event of the failure of the said Trustees to appoint a Successor Trustee, the appointment of a Successor Trustee shall be made by a court of competent jurisdiction, but such Trustee appointment shall not thereafter create any continuing duty to account to the court unless otherwise demanded by the Settlor or the beneficiaries of the Trust. No bond or other security will be required of the Trustee, or any successor appointed in accordance with these provisions.

**B.** In the event that it shall become necessary to appoint a limited purpose Successor non-interested Trustee for the purposes described in Section 2.7 of this Trust Agreement, such Trustee appointments shall be made in the order provided in this Section 3.2. All such interested Trustee decisions as described in Section 2.7 shall rest exclusively in the discretion of this limited purpose Successor non-interested Trustee. With respect to all other matters, the primary trustee then serving as Trustee hereof shall continue to act in such capacity.

**3.3 Right to Change Trustee:**

As a matter of convenience to the Settlor, the Trustee hereunder may be removed at any time by the Settlor, and a Successor (individual or corporate) Trustee may be appointed by the Settlor. Such power shall be exercised by giving written notice to the then Trustee and to the Successor Trustee.

**3.4 Successor Trustee:**

Upon the acceptance of the Trust Estate by a Successor Trustee and the transfer to the Successor Trustee of the property held hereunder, or portion or part thereof, as the case may be, the prior Trustee shall cease to be Trustee of such property, portion or part, and the Successor Trustee shall become and thereafter be Trustee thereof. Any Successor Trustee shall have all the powers, immunities, and discretion conferred upon the original Trustee. No Successor Trustee shall be liable or responsible for any acts or defaults of any predecessor Trustee in any way, or for the loss or expense from or occasioned by anything done or neglected to be done by any predecessor Trustee.

**3.5 Trustee Removal:**

At any time that the Settlor or the Settlor's spouse is serving as Trustee, if the Successor Trustee is in possession of any of the following:

- (a) A court order, which the Successor Trustee deems to be jurisdictionally proper and still currently applicable, holding the Settlor and/or the Settlor's spouse to be legally incapable to act in their own behalf or appointing a Conservator to act for the Settlor and/or the Settlor's spouse; or
- (b) Duly executed, witnessed and acknowledged written certificates of two licensed physicians (each of whom represents that he is certified by a recognized medical board), each certifying that such physician has examined the Settlor and/or the Settlor's spouse and has concluded that, by reason of accident, physical or mental illness, progressive or intermittent physical or mental deterioration, or other similar cause, the Settlor and/or the Settlor's spouse had, at the date thereof, become incapable to act rationally and prudently in the Settlor's and/or the Settlor's spouse's own financial best interests; or
- (c) Evidence which the Successor Trustee deems to be credible and still currently applicable, that the Settlor and/or the Settlor's spouse has disappeared, is unaccountably absent, or is being detained under duress where the Settlor and/or the Settlor's spouse is unable effectively and prudently to look after the Settlor's and/or the Settlor's spouse's own financial best interests;

the Settlor and/or the Settlor's spouse shall be deemed to be incapable, and the Successor Trustee appointed in accordance with the provisions of Section 3.2 shall serve as Trustee.

**3.6 Accountings by the Trustee:**

The Settlor, and after the death of the Settlor, the beneficiaries of each trust created hereunder shall be entitled to receive annually an account by the Trustee showing all receipts, disbursements, and distributions of both principal and income from such Trust Estate since the last annual account. Unless, however, the Trustee's account is objected to in writing within sixty (60) days of the rendition thereof, such account shall be deemed approved as stated. The approval by such persons, or by their guardians or legal representatives, of such statement shall, as to all matters and transactions stated in the account or shown by the Trustee, be final and binding on all persons, whether or not in being, who are then or who thereafter may become entitled to share in either the income or principal of any trust created herein. Nevertheless, the Trustee shall at all times be entitled to obtain a judicial settlement of the Trustee's accounts.

**3.7 Trustee Compensation:**

Any Corporate Trustee shall be entitled to receive payment for said Trustee's services in accordance with such Trustee's schedule of rates in effect at the time such compensation becomes payable. Any individual Trustee shall be entitled to reasonable compensation for said Trustee's services. Such compensation may be paid without Court approval. The Trustee shall be covered by Errors and Omission Insurance, or such similar insurance as deemed necessary by the Trustee, and the Trustee is authorized to expend any fees or costs associated with such coverage from the Trust Estate in addition to the Trustee's compensation.

**3.8 Vote of Trustee:**

Except as otherwise provided in the provisions of Section 2.7 and Section 3.2, in the event there are two (2) Co-Trustees qualified and acting hereunder, said Co-Trustees shall act by unanimous affirmative vote of said two (2) Co-Trustees regarding any matter pertaining to the discharge of their duties or the exercise of any powers, authority or discretion herein conferred upon them.

Upon an affirmative vote of said Co-Trustees as hereinabove required, any one of said Co-Trustees is hereby authorized to execute any instrument (or instruments) on behalf of those concurring Co-Trustees, and such execution of such instrument (or instruments) shall have the same force and effect as if such instrument (or instruments) were executed by all of said Co-Trustees.

**PART IV**

**RIGHTS RESERVED TO SETTLOR**

**4.1 Amendment and Revocation:**

The Settlor expressly reserves to the Settlor during the Settlor's lifetime the following powers:

- (a) To alter, amend, or modify this Trust Agreement at any time or from time to time by an instrument in writing, executed by the Settlor and the Trustee.
- (b) To revoke the Trust Agreement at any time by an instrument in writing delivered to the Trustee.
- (c) To release any right, power or interest which the Settlor has in this Trust Agreement (including any power reserved in this section) at any time by an instrument in writing delivered to the Trustee.

The powers reserved to the Settlor in this Section shall be personal to the Settlor and shall not be assignable or extended to the Settlor's personal representative, the Settlor's estate, any beneficiaries named herein or to any other person. Upon the death of the Settlor, this Trust Agreement shall be deemed irrevocable.

**4.2 With Regard to Life Insurance Policies:**

With regard to any life insurance held hereunder, the Settlor reserves the following rights:

- (a) To sell, assign or hypothecate the policies owned by the Settlor and held hereunder.
- (b) To exercise any option or privilege granted by any of the policies owned by the Settlor including the right to change any beneficiary of any policy, to borrow any sum in accordance with the provisions of any of said policies, and to receive all payments, dividends, surrender values, benefits or privileges of any kind which may accrue on account of said policies during the Settlor's lifetime.
- (c) To direct the Trustee to deliver to or upon the order of the Settlor or the Settlor's written request any policy held hereunder.
- (d) The Trustee as beneficiary of said policies shall join in the execution of any assignments thereof upon written request of the Settlor.

**PART V**  
**MISCELLANEOUS PROVISIONS**

**5.1 Spendthrift Provision:**

All beneficiaries of this Trust are hereby restrained from anticipating, encumbering, alienating or in any other manner assigning their interests in either principal or income, and are without power to do so; nor shall such interests be subject to their liabilities or obligations, or to judgment or other legal process, bankruptcy proceedings, or claims of creditors or others; provided, however, that this provision shall not limit in any manner any general power of appointment granted under this Trust or the right of any beneficiary to disclaim his or her interest hereunder.

**5.2 Definitions, Gender and Number:**

- (a) The education expense of any beneficiary hereof shall be deemed to include expense of tuition, books, other equipment required in the course of study and living expenses (including travel) incurred in connection with attendance at any educational institution, including private schools, colleges and universities, trade schools, graduate schools and including vocational apprenticeships, internships and residencies.
- (b) The terms "child", "children", and "issue" as used in this instrument shall include legally adopted persons and the issue of legally adopted persons.
- (c) Whenever the context so requires, any gender or number shall include the other genders or number, respectively.

**5.3 Connecticut Law Governs:**

This Agreement shall be construed and regulated in all respects by the laws of the State of Connecticut. The initial situs of the Trust Property shall be in the State of Connecticut. The Trustee by written instrument signed and acknowledged, may designate a different situs as to the Trust Property anywhere in the world.

**5.4 Trustee's Completion of Distribution:**

All the rights, powers, privileges, discretion, exemptions, and immunities granted to, as well as the duties and obligations imposed upon the Trustee by this Agreement shall continue after the termination of the Trusts hereunder and until the complete distribution of the Trust Estate property.

**5.5 Survivorship/Presumption:**

If the Settlor and the Settlor's spouse shall die under such circumstances that there is not sufficient evidence to determine the order of their deaths, then it shall be conclusively presumed that the Settlor's spouse survived the Settlor solely for the purpose of receiving from this Trust that part

of which, when deducted from the Settlor's estate and added to the estate of the Settlor's spouse, as it exists at the time of their deaths, would make their net taxable estates, for federal tax purposes, as nearly equal as possible. All the other property which the Settlor may own at the time of the Settlor's death shall pass as otherwise provided in this Trust Agreement as if the Settlor's spouse predeceased the Settlor; and this Trust Agreement shall be administered and distributed, in all respects, in accordance with such presumption.

If the Settlor shall die under said circumstances within sixty (60) days of any other person mentioned in this Trust Agreement, it shall be conclusively presumed that the Settlor survived such other person and this Trust Agreement shall be administered and distributed, in all respects, in accordance with such presumption.

**5.6 Perpetuities:**

Notwithstanding any other provision in this Agreement, at the end of twenty-one (21) years after the death of the Settlor, the Settlor's spouse, and all descendants of the Settlor who are currently living at the Settlor's death, or, alternatively, at the end of ninety (90) years from the creation of this instrument, whichever shall be the last to occur, the Trustee shall distribute the principal and all accrued or undistributed net income of the Trust Estate to the then living beneficiary or beneficiaries.

**5.7 Disclaimer:**

Any fiduciary or beneficiary (or his or her legal representative) at any time may irrevocably disclaim, renounce or release, in whole or in part, any interest, benefit, right, privilege or power granted to such fiduciary or beneficiary by this Agreement, including any fiduciary power (in which event such power shall be exercisable by the other Trustees, if any). Such action shall be taken by the delivery of an acknowledged instrument to the Trustee or to a court having jurisdiction over the Trust.

**IN WITNESS WHEREOF**, the Settlor and Trustee have hereunto set their hands and seals on the date or dates inscribed below.

WITNESSES:

SETTLOR:

\_\_\_\_\_

\_\_\_\_\_

^

\_\_\_\_\_

TRUSTEE:

\_\_\_\_\_

\_\_\_\_\_

^

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STATE OF CONNECTICUT)

) ss. ^

May , 2017

COUNTY OF ^

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Then and there personally appeared ^, signer and sealer of the foregoing instrument, as Settlor and Trustee, and acknowledged the same to be his free act and deed, before me:

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Commissioner of the Superior Court/  
Notary Public

**^ REVOCABLE TRUST AGREEMENT**  
**SCHEDULE A**

	<u>ASSET</u>	<u>AMOUNT</u>
1.	Cash	\$ 100.00
2.		
3.		
4.		
5.		