

During The Beneficiary's Life. The following provisions shall apply during the Beneficiary's life:

1. **Beneficiary Accounts.** Any and all distributions to a descendant is to be distributed to bank or investment accounts with solely the Beneficiary named as owner [*“Beneficiary Accounts”*], and these accounts are not to receive funds from any other individuals or entities other than those created by this Trust Agreement, any other transfer from the Settlor or the Settlor’s estate to the Beneficiary, the Settlor’s Spouse’s Trusts, and any other transfer from the Settlor’s spouse or the Settlor’s estate to the Beneficiary. If the Trustee believes that other individuals are contributing or comingling funds in these Beneficiary Accounts the Trustee may withhold any and all distributions to the Beneficiary until the Trustee receives reasonable proof that the commingling of funds with other individuals has ceased, and has been and shall remain rectified.

2. The Trustee shall distribute to any one or more of the Beneficiary and the Beneficiary's descendants as much of the net income and principal of the trust as the Trustee may at any time and from time to time determine, in such amounts or proportions as the Trustee may from time to time select for the recipient's health, education, maintenance and support in his or her accustomed manner of living. However, it is the Settlor’s intent that trust funds be used to supplement the beneficiary’s needs, and not create a disincentive for the beneficiary to strive for his or her personal development.

3. The Trustee shall distribute to any one or more of the Beneficiary and the Beneficiary's descendants as much of the net income and principal of the trust as the Trustee (excluding, however, any Interested Trustee) may at any time and from time to time determine, in such amounts or proportions as the Trustee (excluding, however, any Interested Trustee) may from time to time select, for any purpose.

4. Any net income not so distributed shall be accumulated and annually added to principal.

5. For certain life events, the Beneficiary shall be entitled to the following distributions:

a. When and if the Beneficiary enters into a college, university or certified trade school, the Trustee shall offer to purchase an **automobile** for

the Beneficiary. The Settlor instructs the Trustee to purchase an automobile that is both reasonable and not unduly expensive or “flashy.”

b. When and if the Beneficiary receives an undergraduate degree from a college, university or certified trade school, the Trustee shall offer the Beneficiary **fifteen thousand dollars (\$15,000)**.

c. When and if the Beneficiary receives a degree from a professional school, such as a Masters or Doctorate degree, the Trustee shall offer the Beneficiary **fifteen thousand dollars (\$15,000)**.

d. When and if the Beneficiary gets engaged and/or married, the Trustee shall make **up to one hundred thousand dollars \$100,000** available to the Beneficiary. These funds may be used only for the Beneficiary’s first marriage, and may be spent on such items and events such as a wedding ring, wedding reception, wedding-related festivities, a honey moon, and the like. The Trustee shall be actively involved in spending decisions regarding this gift, and may utilize his or her discretion in such matters.

6. If the Beneficiary attends a professional school, he or she shall be entitled to a monthly stipend of **two thousand dollars (\$2,000)** to support the Beneficiary’s personal needs.

7. The Beneficiary may **withdraw all principal** at any time after attaining age **thirty-five (35)**. Prior to that, at any time after attaining the following ages, the Beneficiary shall have the right to withdraw principal of the trust. The maximum fraction that a Beneficiary may withdraw shall be as follows:

a. At or after attaining the age of **twenty-five (25)**, the Beneficiary may withdraw **one-fourth (1/4)** of the then fair market value of the remaining trust assets, and

b. At or after attaining the age of **thirty (30)**, the Beneficiary may withdraw **one-fourth (1/4)** of the then fair market value of the remaining trust assets (reduced by any portion of the trust assets then still subject to the prior rights of withdrawal not yet exercised).

c. Any and all distributions under this subsection shall be made to a separate account established for and owned solely by the Beneficiary. This

account shall be maintained until the Beneficiary has depleted all funds held IN TRUST for his or her benefit. If the Trustee believes such an account is not in existence, or that a distribution under this subsection shall be deposited by the Beneficiary into a jointly-owned account, the Trustee may withhold the gift until adequate proof to the contrary has been provided by the Beneficiary.

8. Notwithstanding anything herein contained to the contrary, the Trustee shall not distribute any portion of the Trust, or any income attributable thereto, that is subject to withdrawal by the Beneficiary to anyone other than the Beneficiary. The Trustee shall distribute, upon the Beneficiary's death, to the estate of the Beneficiary (and not pursuant to the paragraph entitled "Upon the Beneficiary's Death" any principal, and any income attributable thereto, that was subject to withdrawal by the Beneficiary at the time of the Beneficiary's death and not yet withdrawn by the Beneficiary.