

THE JOHN SMITH, JR. IRREVOCABLE NEW HAMPSHIRE TRUSTS

BETWEEN

**JOHN SMITH, JR.,
AS “TRUSTOR”,**

**XYZ TRUST COMPANY,
“ADMINISTRATIVE TRUSTEE”,**

AND

**JOHN SMITH, SR.,
AS BOTH “DISTRIBUTION TRUSTEE”
AND
“INVESTMENT TRUSTEE”**

AND

**ROBERT JONES
AS “TRUST PROTECTOR”**

Note: This is a specimen form New Hampshire asset protection trust prepared to satisfy the requirements of a “qualified distribution in trust” under NH RSA Chapter 564-D, the New Hampshire Qualified Dispositions in Trust Act. This form is being provided for illustrative purposes only. No representation is being made by the author concerning the efficacy of this specimen document to achieve any purpose of the user. Any user of this form understands that he or she must make his or her judgment concerning the use of the form to achieve any given purpose of the user or the user’s client or clients.

TABLE OF CONTENTS

Recitals 1

Article I..... 2

 Trust Estate 2

Article II..... 2

 Trust During the Life of Trustor and Thereafter 2

Article III 9

 Trust for a Primary Beneficiary..... 9

Article IV 14

 Alternative Remainderman..... 14

Article V..... 15

 Distribution Trustee..... 15

Article VI 17

 Investment Trustee 17

Article VII..... 28

 Administrative Trustee 28

Article VIII..... 33

 General Trustee Provisions..... 33

Article IX 39

 Trust Protector 39

Article X..... 46

 Governing Law, Trust Situs and Forum Selection 46

Article XI 47

 Spendthrift Trust Provision 47

Article XII..... 48

 Trustees and Trust Protector Shall Vigorously Defend The Trust 48

Article XIII..... 49

 Miscellaneous Provisions 49

Article XIV 55

 Definitions 55

Article XV..... 59

 Irrevocable Nature of Trust 59

Article XVI 59

 Trustees & Trust Protector Acceptance..... 59

THE JOHN SMITH, JR. IRREVOCABLE NEW HAMPSHIRE TRUSTS

This Trust Agreement made the dates hereinbelow indicated, between: (i) **John Smith, Jr.**, of the **City of Boston, Suffolk County, Massachusetts**, as Trustor (the “Trustor”, “I”, “Trustor’s”, or “mine”); (ii) each of the parties named herein as the Trustees: “Investment Trustee”, the “Distribution Trustee”, and the “Administrative Trustee”; and (iii) the “Trust Protector” named herein. **References are made herein to the Trustor’s father, John Smith, Sr. (the “Trustor’s father”), the Trustor’s brothers, William Smith and Robert Smith, (the “Trustor’s brothers”), and Robert Jones (“Mr. Jones”).**

Recitals

1. The Trustor desires to create certain trusts of property hereafter specified for the purposes hereafter set forth and which may collectively be referred to as “**The John Smith, Jr. Irrevocable New Hampshire Trusts**”, which will include any separate “Incomplete Gift Trust” (the “IGT”) and “Complete Gift Trust” (“CGT”), to be administered hereunder during the Trustor’s lifetime. The Trustees have consented to accept and perform said Trusts in accordance with such terms. The Trustor has designed each of the IGT and CGT to be a complete “grantor trust” under §§671 et. seq. of the Internal Revenue Code of 1986, as amended (the “Code”), and contemplates that (i) any transfers the Trustor makes to the IGT will not be “completed gifts” for federal gift tax purposes, and will be includable in the Trustor’s gross estate for Federal estate tax purposes upon the Trustor’s death, and (ii) any transfers the Trustor makes to the CGT during the Trustor’s lifetime will, by contrast, be completed gifts for Federal gift tax purposes and will be excluded from the Trustor’s gross estate for Federal estate tax purposes upon the Trustor’s death. The Trustor shall indicate in a writing delivered to the Administrative Trustee whether any contribution the Trustor makes hereunder is to be allocated to the IGT or the CGT, and, if such Trustee receives no such written notice within ten (10) days of such Trustee’s receipt of a contribution, such Trustee shall allocate the contribution to the IGT.

2. The CGT and IGT are being created under the provisions of New Hampshire RSA Chapter 564-D, the Qualified Dispositions in Trust Act (the “Act”). The Trustor’s contributions to such trusts are intended to be “qualified dispositions” as defined in Section 1, VII of the Act. All provisions of this Trust Agreement are to be interpreted in a manner consistent with that intent. To the extent that any required provisions described in the Act are omitted from this Trust Agreement, such omission is unintentional, and therefore, for the purposes of qualifying any transfer as a qualified

disposition under the Act, any omitted provisions of the Act as it exists on the date of this Trust Agreement are incorporated herein by this reference.

3. The Trustor desires to give the Trustees broad discretion with respect to management, distributions and investments of the various trusts created herein during the Trustor's lifetime and after his death with the intention of generally obtaining the objectives of benefiting the beneficiaries of the trusts while attempting to preserve family assets and to minimize the income and wealth transfer taxes which any beneficiary hereunder or his or her estate may pay on any trust created herein.

4. In order to maximize the preservation of family assets, and to minimize all wealth transfer taxes, the Trustor has provided that the various trust or trusts created hereunder may be held in trust in perpetuity as permitted under New Hampshire law.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Trustor hereby assigns, conveys, transfers and delivers to the Trustees the property set forth in the Schedule hereto annexed, TO HAVE AND TO HOLD the same and any other property which the Trustees may hereafter at any time hold or acquire hereunder (the "Trust Estate") in trust, nevertheless, for the following uses and purposes and subject to the terms and conditions hereinafter set forth.

Article I Trust Estate

The Trustees shall hold the net income and principal of the trusts to be administered hereunder in accordance with the terms and conditions set forth in Article II hereof.

Article II Trust During the Life of Trustor and Thereafter

2.1 Provisions During Life of Trustor. During the life of the Trustor, any property which is directed to be held in accordance with the terms and conditions set forth in this Article shall be held by the Trustees in the IGT and CGT for the following uses and purposes:

(A) To manage, invest and reinvest the same, to collect the income thereof, and to pay over or apply the net income and principal thereof to such extent, including the whole thereof, and in such amounts and proportions, including all to one to the exclusion of the others, and at such time or times as the Distribution Trustee, in the

exercise of sole and absolute discretion, shall determine, to or for the benefit of such one or more members of the class consisting of the Trustor's descendants, the Trustee's spouse, as hereinafter defined, and the Trustor, until the death of Trustor. Notwithstanding the foregoing, the Trustor expects (but does not direct) that the Distribution Trustee will exercise its discretion to distribute to the Trustor as an eligible beneficiary all of the net income of each such Trust at least quarter-annually, unless such Trustee determines, in its uncontrolled judgment, that there is a compelling reason (such as a risk of attachment or other diversion of the net income) not to do so.

(B) Notwithstanding the foregoing, during the life of the Trustor, at least thirty (30) days prior to making any payment or application of principal to any beneficiary other than the Trustor, the Distribution Trustee shall:

(1) With respect to the IGT, advise the Trustor in writing of the Distribution Trustee's intention to pay over or apply principal to a beneficiary other than the Trustor, and the Trustor may veto any such intended payment or application by directing such Trustee in writing not to make the payment or application, and, if such veto is exercised by the Trustor, the Distribution Trustee shall not make the intended payment or application to a beneficiary other than the Trustor;

(2) With respect to any CGT, advise the Trust Protector, if a Trust Protector is then serving, of the Trustee's intention to make a distribution as provided in the preceding Paragraph (B)(1) relating to the notice to and veto power possessed by the Trustor, and the Trust Protector, if one is serving when any such distribution is to be made, shall possess the same veto power with respect to CGT

distributions as is possessed by the Trustor over IGT distributions, and no such veto power shall exist if there is no Trust Protector then serving.

(C) Any net income (which may be the whole of such income) not so paid over or applied shall be accumulated and added to the principal of the subject trust at least annually and thereafter shall be held, administered and disposed of as a part thereof. The Trustor retains the right to renounce the power to veto retained in Paragraph 2.1 (B)(1) by delivery of an acknowledged written instrument to the Trustee renouncing such veto power.

2.2 After Death of Trustor. Upon the death of the Trustor:

(A) The income and principal of the IGT, as it is then constituted, shall be transferred, conveyed and paid over to such person or persons (other than the Trustor, the Trustor's estate, the Trustor's creditors or the creditors of the Trustor's estate) to such extent, in such amount or proportions, and in such lawful interests or estates, whether absolute or in trust, as the Trustor appoints by Last Will and Testament by specific reference to this power. The Trustor may, at any time and from time to time during his life, release this testamentary power of appointment with respect to any or all of the IGT property subject to the power, and may further limit the persons or organizations in whose favor such power may be exercised.

(B) To the extent the Trustor does not fully or effectively exercise such power of appointment over the IGT property, the IGT's income and principal shall be transferred, conveyed and paid over as follows:

(1) **Marital Trust.** If the Trustor is survived by a "Spouse", i.e., a person who was legally married to the Trustor at the time of the Trustor's death,

not under a decree of separation or separate maintenance, and who at the time of the Trustor's death was not party to a pending domestic relations action between the Spouse and the Trustor, the Trustee shall, as soon as practicable after the Trustor's death, set apart from the IGT Fund a sum equal to the amount by which the value of the property of the IGT exceeds a sum equal to the largest amount, if any, that can pass free of federal estate tax from the IGT by reason of the unified credit and the state death tax credit (provided its use does not require an increase in state death taxes paid) allowable to the Trustor's gross estate, but no other credit, and after taking into account property passing under this Agreement or outside of this Agreement (whether by the Trustor's will, revocable trust, or otherwise) which is includable in the Trustor's gross estate for federal estate tax purposes, and does not qualify for the marital or charitable deduction, and after taking into account charges to the principal of the IGT that are not allowed as deductions in computing the Trustor's federal estate tax. The values finally fixed in the federal estate tax proceeding relating to the Trustor's estate shall be used in establishing such sum. Any assets distributed in kind to satisfy such sum shall be valued at their date or dates of distribution values. The Trustor recognizes the possibility that no sum may be disposed of under this Paragraph, and that the sum so disposed of may be affected by the action of the Trustee and the Trustor's personal representative in making certain tax elections. The Trustee shall hold such property IN TRUST (the "Marital Trust") upon the following terms and conditions:

(a) Income. The Trustee shall pay the net income to the Trustor's Spouse at least quarter-annually during her lifetime. Any income of the

Marital Trust which is accrued or undistributed as of the date Trustor's Spouse's death shall be distributed to the personal representative of such Spouse's estate.

(b) The Distribution Trustee may from time to time pay to such Spouse so much of the Marital Trust principal as the Distribution Trustee determines, in its uncontrolled judgment, will enable such Spouse to live a reasonable lifestyle, after considering the amount of Marital Trust net income distributed to such Spouse, and such Spouse's other resources.

(c) Upon the death of such Spouse, the Trustee shall distribute any property remaining in the Marital Trust to the Family Trust, so-called, to be managed and distributed as provided in the following Paragraph (2). Notwithstanding the foregoing, the Trustee shall pay to such Spouse's estate all accumulated but undistributed net income of the Marital Trust, and from the principal of the Marital Trust the amount by which the state death taxes paid or payable (including interest and penalties) as a result of the death of the Spouse exceed the state death taxes (including interest and penalties and state estate taxes) which would have been payable if the value of the Marital Trust property had not been subject to such state taxes. The Trustee is also specifically authorized to pay to the estate of such Spouse from the principal of the Marital Trust such amounts as may be necessary to pay the share of federal estate taxes attributable to the Marital Trust property and due as a result of the death of the Spouse which the applicable federal statutes may authorize the personal representative of her estate to collect (unless her will provides to the contrary), and the Trustee may rely on the request of such personal representative and make such payments to such personal

representative without further inquiry or requiring any reimbursement or requiring any prior payment of such taxes by such personal representative.

(d) The Trustor directs that property held hereunder shall consist only of assets that qualify for the marital deduction under applicable provisions of the Code. If any property held in the Marital Trust for which a marital deduction has been allowed shall not be productive of income for longer than a reasonable time, the Spouse shall have the power to direct the Trustee to convert such property to property that is productive of income commensurate with its value. After the Trustor's death, and for so long as any part of the Marital Trust shall not have been set apart, the Trustee shall pay to the Spouse annually such amounts as such Trustee determines, in its discretion, equals a reasonable yield on the expected principal value of the Marital Trust, as required in Treas. Regs. §20.2056(b)-5(f)(9).

(2) **Family Trust.** If the Trustor is survived by the Trustor's Spouse or any descendants of the Trustor, the Trustee shall hold: (i) all of the remaining IGT property (i.e., that portion of the IGT property not allocated to the Marital Trust as provided in the preceding Paragraph), and (ii) all of the CGT property, as a "Family Trust Fund". If the Spouse survives the Trustor, or if such Spouse does not survive the Trustor, but one or more of the Trustor's children survive the Trustor and are under the age of twenty-five (25) years, the Trustee shall hold the Family Trust Fund IN TRUST (the "Family Trust"). The Distribution Trustee may pay out of the Family Trust's net income or principal, or both, such amount or amounts (whether equal or unequal and whether the whole or lesser amount) as Trustee, in its sole and absolute discretion, determines to or for the benefit of such one (1) or more persons then living as such Trustee, in its sole and

absolute discretion, may select out of a class composed of the Spouse and the Trustor's then living issue. Any net income not so paid shall be added to principal. **If the Trustor's Spouse is living, but if at any time during the term of the Family Trust none of the Trustor's descendants are living, the Trustor's brothers and their descendants who are then living shall be added to the class of persons who are eligible to receive distributions of the Family Trust's net income and principal, and for whose benefit such distributions may be applied, as hereinabove provided.** The Trustor hopes (but does not direct) that the Distribution Trustee will refrain from making any distributions to the Spouse if such Trustee determines, in its uncontrolled judgment, that such Spouse's own resources, and any net income and principal available to such Spouse through the Marital Trust, are sufficient to provide the Spouse with a reasonable lifestyle. Any such Family Trust shall terminate upon the earlier to occur of: (i) such Spouse's death, and (ii) the date upon which the youngest living child of the Trustor's reaches the age twenty-five (25) years or sooner dies. Upon such termination (or upon the Trustor's death if no Family Trust is to be created because the Trustor is survived by neither the Spouse nor any children of the Trustor under age 25) the income and principal of the Family Trust Fund shall be divided into a sufficient number of equal shares so that there shall be set aside one (1) such share for each child of the Trustor who is then living and one (1) such share for the collective descendants who are then living of any child of the Trustor who is not then living. From each such share so set aside for the collective descendants who are then living of any child of the Trustor who is not then living there shall be set aside per stirpital parts for such descendants. Each child who is then living for whom a share is set aside and each descendant who is then living of a child of the

Trustor who is not then living for whom a per stirpital part is set aside is herein referred to as a “primary beneficiary”. The share or part of a share so set aside for a primary beneficiary shall be held in a separate trust in accordance with the terms and conditions set forth in Article III hereof.

(3) If the Trustor is not survived by the Spouse or any descendants of the Trustor, the Trustee shall hold, manage, distribute and administer the property of each of the terminating IGT and CGT as provided in Article IV hereof.

Article III Trust for a Primary Beneficiary

3.1 During Primary Beneficiary’s Lifetime. Each share or part of a share set aside for a primary beneficiary which is directed to be held upon the terms and conditions as set forth in this Article or this Paragraph shall be held by the Trustee hereinafter named, IN TRUST, NEVERTHELESS, in a separate trust for the benefit of the primary beneficiary for whom the share or part of a share was set aside, that primary beneficiary’s spouse, and that primary beneficiary’s descendants living from time to time during the trust term (hereinafter collectively the “beneficiaries”), for the following uses and purposes: The Distribution Trustee shall manage, invest and reinvest the same, to collect the income thereof, and to pay over or apply the net income and principal thereof, to such extent (including the whole thereof), in such amounts and proportions (including all to one to the exclusion of others), and at such time or times, as the Distribution Trustee, in the exercise of sole and absolute discretion, shall determine, to or for the benefit of such one or more of the beneficiaries, as such Trustee, in the exercise of sole and absolute discretion, shall select. Any net income not so paid over or applied shall be added to the principal of the trust at least annually and thereafter held, administered and

disposed of as a part thereof. Without in any way limiting the sole and absolute nature of the discretion conferred upon the Distribution Trustee and without imposing any fiduciary duty to do so, it would be in keeping with the Trustor's current intention, although it is not the Trustor's direction, if the Distribution Trustee would consider the interests of the primary beneficiary as paramount to the interests of the other beneficiaries.

3.2 Power of Appointment Upon Death Of Primary Beneficiary. Upon the death of the primary beneficiary, the Distribution Trustee shall transfer, convey and pay over the principal of the trust, as it is then constituted, to or for the benefit of such one or more of the Spouse of the primary beneficiary and the descendants of the Trustor (other than the primary beneficiary, his or her estate or creditors or the creditors of his or her estate) and the spouses of such descendants to such extent, in such amount or proportions, and in such lawful interests or estates, whether absolute or in trust (including but without limitation) the granting of a presently exercisable general or non-general power of appointment, as the primary beneficiary may by his or her Last Will and Testament appoint by specific reference to this power; provided, however, that the primary beneficiary is prohibited without the prior written consent of the Distribution Trustee from exercising such power of appointment over any trust created hereunder that has an inclusion ratio of less than one (1) for generation-skipping transfer tax purposes in a manner that would cause section 2041(a)(3) or section 2514(d) of the Code to apply by reason of such exercise, and any such exercise shall be void; and provided further that any appointment in favor of the spouse of a descendant of the Trustor shall consist only of the greater of an income interest for life or a 6% unitrust interest for life in the portion

appointed for such spouse, the remainder of which shall be payable to or for the benefit of one or more descendants of the Trustor (other than the primary beneficiary, the primary beneficiary's estate and creditors, and the creditors of the primary beneficiary's estate).

The primary beneficiary may, at any time and from time to time during his or her life, by a written, acknowledged instrument delivered to the Distribution Trustee, release such power of appointment with respect to any or all of the property subject to such power or may further limit the persons or entities in whose favor or the extent to which this power may be exercised.

If the power of appointment is for any reason not effectively exercised in whole or in part by the primary beneficiary, the principal of the trust, as it is then constituted, to the extent not effectively appointed by him or her, shall, upon his or her death, be disposed of in accordance with the terms and conditions set forth in Section 3.3 of this Article.

3.3 Disposition Of Unappointed Property For Descendants. Upon the death of the primary beneficiary (referred to in this Paragraph as the "deceased primary beneficiary"), if any descendant of the deceased primary beneficiary is then living, but one or more of the deceased primary beneficiary's living children is under age twenty-five (25) years, the Trustee shall continue to hold the property IN TRUST for the collective benefit of the deceased primary beneficiary's living descendants, as hereinabove provided, except that in the exercise of its discretion over distributions of the continuing trust's net income and principal, the Trustor hopes (but does not direct) that the Distribution Trustee will give primary consideration to the educational needs of those

of the deceased primary beneficiary's children who are under age twenty-five (25). When there are no such children of the deceased primary beneficiary are under age twenty-five (25), or upon the date that the youngest child of the deceased primary beneficiary reaches age twenty-five (25) or sooner dies, the principal, if any, of the trust directed to be disposed of in accordance with the terms and conditions set forth in this Paragraph shall be divided into a sufficient number of equal shares so that there shall be set aside one (1) such share for each child of the deceased primary beneficiary who is then living and one (1) such share for the collective descendants who are then living of any child who is not then living of the deceased primary beneficiary. From each such share so set aside for the collective descendants who are then living of any child who is not then living of the deceased primary beneficiary, there shall be set aside per stirpital parts for such descendants. Each child who is then living of the deceased primary beneficiary for whom a share is set aside and each descendant who is then living of a child of a deceased primary beneficiary who is not then living for whom a per stirpital part is set aside is herein referred to as a "primary beneficiary". The share or part of a share so set aside for a primary beneficiary shall be held in a separate trust in accordance with the terms and conditions set forth in Section 3.1 and the other provisions of this Article.

If no descendant of the deceased primary beneficiary is then living, the principal, if any, of the trust directed to be disposed of in accordance with the terms and conditions set forth in this Paragraph shall be divided into per stirpital shares for the descendants who are then living of the lineal ancestor of the deceased primary beneficiary of the closest degree of consanguinity to the deceased primary beneficiary

which ancestor has descendants who are then living and which ancestor is (or was) also a descendant of the Trustor or which ancestor was the Trustor. Each descendant for whom a per stirpital share is set aside is herein referred to as a “primary beneficiary”. The share so set aside for a primary beneficiary shall be held in a separate trust in accordance with the terms and conditions set forth in Section 3.1 and the other provisions of this Article; provided, however, that if a trust already exists under Section 3.1 of this Article of which that primary beneficiary is also the primary beneficiary, the Trustee, in the exercise of sole and absolute discretion, may instead add the share to that existing trust, thereafter to be held, administered and disposed of as a part thereof.

If no descendant of the Trustor is then living, the principal, if any, of the trust directed to be disposed of in accordance with the terms and conditions set forth in this Paragraph shall be disposed of in accordance with the terms and conditions set forth in Article IV hereof.

3.4 Intention as to Disposition Under Article III. It is the Trustor’s general intention that, upon the death of any primary beneficiary (regardless of his or her generation from the Trustor) of any trust under this Article, except to the extent that the primary beneficiary effectively exercises his or her power of appointment, the property in that trust be divided, as set forth above, on a per stirpital basis into trusts for the primary beneficiary’s surviving descendants with each of those descendants becoming a primary beneficiary of his or her own trust and, similarly, to be disposed of through all succeeding generations in perpetuity to the maximum extent permitted under New Hampshire law.

Article IV
Alternative Remainderman

If upon the termination of any IGT or CGT the Trustor does not exercise his special testamentary power of appointment over the IGT directing a contrary distribution, and if the Trustor is not survived by the Spouse or any descendants, **the Trustee shall divide the property of each terminating trust into separate shares on a per stirpital basis for or with respect to the Trustor’s brothers, as provided in Paragraph 2.2(B)(2) with respect to the Trustor’s living and predeceased children, and administer each such share so established for or with respect to a living brother of the Trustor or the collective descendants of a predeceased brother as provided in Article III above, with the living of the brother of the Trustor and each descendant of a deceased brother of the Trustor to be considered the “primary beneficiary” of the separate trust to be administered under such Article III. If the Trustor is not survived by any of such brothers or any of their descendants, and with respect to each terminating trust being administered hereunder if there is no living remainder beneficiary upon such termination, the Trustee shall distribute and pay over the property of any such terminating trust to such one or more organizations described in and meeting the requirements of Code Sections 170(c), 2055(a) and 2522(a), as the Distribution Trustee, in the exercise of sole and absolute discretion, shall select, and in such proportions, including all to one to the exclusion of the others, as the Distribution Trustee, in the exercise of sole and absolute discretion, shall determine.**

Article V
Distribution Trustee

5.1 Identity. The Distribution Trustee under this Agreement shall be **the Trustor's father.**

5.2 Removal of Distribution Trustee and Appointment of Successor Distribution Trustee.

(A) The Trust Protector shall have the authority to remove and replace the Distribution Trustee, with or without cause. A removal shall be effective, without leave of court, immediately upon the delivery of written notice to that effect by the Trust Protector to the person or entity then serving as the Distribution Trustee and to the successor Distribution Trustee.

(B) In the event a Distribution Trustee dies, resigns, is removed from office, or ceases to act for any reason, the Trust Protector shall designate a successor Distribution Trustee, which may be one or more individuals or entities or combination thereof, including the Trust Protector, but subject to the following sentences of this Paragraph (B). In no event shall the Trustor, the Trustor's Spouse, any lineal descendant of the Trustor, any spouse of any lineal descendant of the Trustor, any lineal descendant of the Trustor's parents or a spouse thereof, any other person who has contributed property to a trust governed by this Agreement, or any person or entity that is related or subordinate (within the meaning of Code Section 672(c)) to any of the foregoing persons, be entitled to serve as Distribution Trustee. The Distribution Trustee may, but need not, be one or more individuals or entities that otherwise meet the above requirements that are already acting as a Trustee or Trust Protector hereunder. The Trust Protector shall

maintain the situs of each affected trust as prescribed in Section 10.2 in choosing a successor Distribution Trustee.

(C) When more than one person or entity is serving as Distribution Trustee, the resignation of one person or entity serving as Distribution Trustee shall be effective, without leave of court, when such person or entity delivers a written resignation to the Trust Protector. If only one person or entity shall be serving as Distribution Trustee, the resignation of such person or entity is not effective until the successor Distribution Trustee has been chosen and has accepted the Distribution Trustee's duties pursuant to Paragraph (D) of this section.

(D) The appointment of a successor Distribution Trustee pursuant to this section shall be effective on the date the successor accepts the Distribution Trustee's duties in an acknowledged instrument in writing delivered to the Trust Protector and the other remaining Trustees.

5.3 Enumeration of Powers. In addition to all other powers herein granted to the Distribution Trustee, the Distribution Trustee is expressly authorized, in the exercise of its discretion:

(A) To identify which beneficiaries are entitled to receive distributions and to determine the amounts of any such distributions pursuant to Article II, and to direct the Administrative Trustee to make such distributions to such beneficiaries;

(B) To appoint, employ and remove, at any time and from time to time, any accountants, attorneys, appraisers, actuaries, expert advisers, agents, clerks and employees in furtherance of fulfilling its responsibilities as Distribution Trustee

hereunder, and to direct the Administrative Trustee to pay them such compensation as the Distribution Trustee determines to be reasonable compensation for their services;

(C) To execute and deliver any and all instruments to carry out any of the foregoing powers, no party to any such instrument being required to inquire into its validity or to see to the application of any money or other property paid or delivered pursuant to the terms of any such instrument; and

(D) To approve or disapprove, at the Distribution Trustee's discretion, the Investment Trustee's request to make a joint purchase (with concurrent interests, successive interests, and/or otherwise) with, or to sell a trust asset at fair market value to, any beneficiary of a trust created hereunder; to approve or disapprove, at the Distribution Trustee's discretion, the Investment Trustee's request to make loans at market rate interest, or if lower, the so-called applicable federal rate (or any successor thereto) under the Internal Revenue Code, to any beneficiary; and to approve or disapprove, at the Distribution Trustee's discretion, the Investment Trustee's request to enter into any other transaction or agreement with any beneficiary.

Article VI Investment Trustee

6.1 Identity. The Investment Trustee under this Trust shall be **the Trustor's father.**

6.2 Removal of Investment Trustee and Appointment of Successor Investment Trustee.

(A) The Trust Protector shall have the authority to remove and replace any person or entity serving as Investment Trustee, with or without cause. A removal shall be effective, without leave of court, immediately upon the delivery of written notice

to that effect by the Trust Protector to the person or entity then serving as Investment Trustee and to the successor Investment Trustee.

(B) In the event an Investment Trustee dies, resigns, is removed from office, or otherwise ceases to act for any other reason, the Trust Protector shall designate a successor Investment Trustee, which may be one or more individuals or entities or combination thereof, including the Trust Protector, but subject to the following sentences of this Paragraph (B). In no event shall the Trustor, the Trustor's Spouse, any lineal descendant of the Trustor, any spouse of any lineal descendant of the Trustor, any lineal descendant of the Trustor's parents or a spouse thereof serve as Investment Trustee. The Investment Trustee may, but need not, be one or more individuals or entities that otherwise meet the above requirements that are already acting as a Trustee or Trust Protector hereunder. The Trust Protector shall maintain the situs of each affected trust as prescribed in Section 10.2 in choosing a successor Investment Trustee.

(C) When more than one person or entity is serving as Investment Trustee, the resignation of one person or entity that is serving as Investment Trustee shall be effective, without leave of court, when such person or entity delivers a written resignation to the Trust Protector. If only one person or entity shall be serving as Investment Trustee, the resignation of such person or entity is not effective until the successor Investment Trustee has been chosen and has accepted the Investment Trustee's duties pursuant to Paragraph (D) of this section.

(D) The appointment of a successor Investment Trustee pursuant to this section shall be effective on the date the successor accepts the Investment Trustee's

duties in an acknowledged instrument in writing delivered to the Trust Protector and the Trustees.

6.3 "Prudent Person" and "Prudent Investor" Rules Waived. In addition to the investment powers conferred elsewhere in this article, the Investment Trustee is authorized (but not directed) to acquire and retain investments not regarded as traditional for trusts, including investments that would be forbidden or would be regarded as imprudent, improper or unlawful by the "prudent person" rule, "prudent investor" rule, or any other rule or law which restricts a fiduciary's capacity to invest, as the Investment Trustee, in the exercise of its discretion, determines to be in the best interests of the trusts created hereunder. In making investments, the Investment Trustee may disregard whether any or all of a particular trust's investments would traditionally be classified as too risky or speculative for trusts. The entire trust may be so invested. The Investment Trustee shall have the discretion to determine what constitutes acceptable risk and what constitutes proper investment strategy for each trust created hereunder. Trustor believes it is in the best interests of the trusts created hereunder to give the Investment Trustee as broad discretion as possible in managing the assets of the trusts created hereunder.

6.4 Enumeration of Powers. In addition to all other powers herein granted to the Investment Trustee, the Investment Trustee is expressly authorized, in the exercise of its discretion:

(A) To make any kind of investment whatsoever that is not illegal, specifically not limited to any statutory list of authorized investments of any jurisdiction, or to be involved in any type of activity that is not illegal, including securities or options;

(B) To make any kind of investment whatsoever that Trustor could make if Trustor were alive at the time such investment is being contemplated and were a citizen of the jurisdiction in which the situs of the trust(s) held pursuant to this Agreement are located;

(C) To invest in any type of property, wherever located, including any type of improved or unimproved real property, and tangible or intangible personal property, and in any manner, including direct purchase, joint ventures, partnerships, limited partnerships, limited liability companies, limited liability partnerships, corporations, mutual funds or any other form of participation or ownership whatsoever. Examples of investments that Trustor intends to authorize include, but are not limited to, the following: purchasing, investing in, selling, transferring, exchanging or otherwise disposing of, including entering into repurchase and reverse repurchase agreements, and generally dealing in and with, precious metals, foreign currency and any and all forms of securities, including, but not limited to, shares, stocks, listed or over-the-counter options, bonds, debentures, notes, scrip, evidences of indebtedness, participation certificates, mortgages, mortgage-backed securities, contracts, certificates of deposit, commercial paper, "when-issued" securities, subscription rights, warrants, and certificates of interest of any and every kind and nature whatsoever (including derivative securities) secured or unsecured, whether represented by certificates or otherwise; future contracts, spot contracts, puts, calls, straddles, short and long contracts, collars, swaps, and any form of financial instruments or arrangements of any nature whatsoever, including those developed in the future; securities or other equity or debt in new ventures; foreign securities or other equity or debt; commodities; oil, gas, mineral, timber and other

interests in natural resources; and breeding animals. The Investment Trustee is authorized to decide to establish and maintain margin accounts with a broker, to sell (including short sales), loan, pledge or grant a security interest in any and all forms of securities and other property forming a part of any trust estate, to borrow money, securities and other property from or through a broker or others and to secure repayment thereof with the property of the trust estate.

(D) To acquire, hold and retain as a part of each trust created hereunder any property (including, but without limitation, any articles of tangible personal property, real property, intangible personal property, or property of mixed character) regardless of whether such property is productive, under productive or unproductive of income, and without any duty to convert such property to productive property, unless specifically stated elsewhere in this Agreement; and to pay the expenses of safekeeping of any such property, including insurance, and all expenses of the repair and maintenance of such property;

(E) To make a joint purchase with, or to sell at fair market value to, any beneficiary of a trust created hereunder, with the prior approval of the Distribution Trustee; to make loans at market rate interest, or if lower, the so-called applicable federal rate (or any successor thereto) under the Internal Revenue Code, to any beneficiary or any entity in which any beneficiary has an interest, with the prior approval of the Distribution Trustee; and to enter into any other transaction or agreement with any beneficiary with the prior approval of the Distribution Trustee;

(F) To make investments in any business entity that may be owned in part by other trusts which may have as a beneficiary, trustee or other fiduciary one or

more of the same beneficiaries, trustees or other fiduciaries as a trust held under this Agreement, and to create different classes of investment in such commonly owned business entity that may be different for the various trusts investing therein, it being Trustor's intent that the Investment Trustee shall be able to structure the investments made hereunder with any other entity whatsoever, including any other trust that may have beneficiaries or fiduciaries that are common to some degree with the beneficiaries and fiduciaries under this Agreement;

(G) To take part in the management of any business in which an investment is retained or made hereunder and to delegate duties with respect to such management, with the requisite powers, to any employee, manager, partner or associate of such business, without liability for such delegation; to reduce, expand, limit or otherwise fix and change the operation or policy of any such business and to act with respect to any other matter in connection with any such business; to subject to the risks of any such business, any part or all of any trust estate, for such term or period as the Investment Trustee, in the exercise of its discretion, may determine; to advance money or other property to any such business; to make loans, subordinated or otherwise, of cash or securities to any such business; to borrow money for any such business, either alone or with other persons interested therein, and to secure such loan or loans by a pledge or mortgage of any part of any trust estate; to select and vote for directors, partners, associates and officers of any such business; to act as directors, general or limited partners, associates and officers of any such business either individually or through an officer or officers if any Trustee be a corporation, and to receive compensation from such business for so acting; to enter into stockholders' agreements with corporations in which

any trust estate has an interest and/or with the stockholders of such corporations; to liquidate, either alone or jointly with others, any such business or any interest in any such business; and generally to exercise any and all powers as the Investment Trustee may deem necessary with respect to the continuance, management, sale or liquidation of any such business;

(H) To purchase or otherwise acquire, and to retain, whether originally a part of the trust estate or subsequently acquired, any and all stocks, bonds, notes or other securities, or any variety of real or personal property, including, but without limitation, foreign real estate or foreign securities, securities of a corporation in which any of the Trustees is a director, officer, employee or shareholder, securities of any corporate fiduciary, or any successor or affiliated corporation, interests in common trust funds and securities of or other interests in investment companies and investment trusts, interests in any partnership, limited liability company or other entity, whether or not such investments be of the character permissible for investments by fiduciaries; to make or retain any such investment without regard to degree of diversification and without regard to whether such investment is unproductive or under productive of income; to invest in interest bearing deposit accounts, or hold funds in non-interest bearing deposit accounts pending investment or disbursement thereof, in any bank or other financial institution, including any bank or other institution having trust powers that is acting as a Trustee hereunder or any bank or other financial institution affiliated with any Trustee; to invest in registered mutual funds for which any Trustee hereunder, or an affiliate of any Trustee, provides investment advisory, custodial or other services for compensation paid from such mutual funds; and to execute trades of securities by, purchase from or sell securities

to the dealer portfolio of, and purchase securities from, the underwriting position of any affiliate of any Trustee;

(I) To sell, lease, pledge, mortgage, transfer, exchange, convert or otherwise dispose of, or grant options with respect to, any and all property (whether real or personal, tangible or intangible) at any time forming a part of the trust estate, in any manner, at any time or times, for any purpose, for any price and upon any terms, credits and conditions; and to enter into leases which extend beyond the period fixed by statute for leases made by fiduciaries and beyond the duration of any trust;

(J) To borrow money from any lender, including any corporate fiduciary or any trust, for any purpose connected with the protection, preservation or improvement of the trust estate, and as security to mortgage or pledge upon any terms and conditions any real or personal property forming a part of any trust estate;

(K) To complete, extend, modify or renew any loans, notes, bonds, mortgages, contracts or any other obligations which may be liens or charges against the trust estate; to pay, compromise, compound, adjust, submit to arbitration, sell or release any claims or demands of the trust against others or of others against any trust upon any terms and conditions, including the acceptance of deeds to real property in satisfaction of bonds and mortgages; and to make any payments in connection therewith;

(L) To vote in person or by general or limited proxy with respect to any shares of stock or other security; directly or through a committee or other agent, to oppose or consent to the reorganization, consolidation, merger, dissolution or liquidation of any corporation, or to the sale, lease, pledge or mortgage of any property by or to any

such corporation; and to make any payments and take any steps proper to obtain the benefits of any such transaction;

(M) To manage, insure against loss, subdivide, partition, develop, improve, mortgage, lease or otherwise deal with any real property or interests therein which may form at any time a part of any trust estate; to satisfy and discharge or extend the term of any mortgage thereon; to demolish, rebuild, improve, repair and make alterations from time to time in any of the structures upon any such real property; to plat into lots and prepare any such real property for building purposes; to construct and equip buildings and other structures upon any such real property and to make any and all other improvements of any kind or character whatsoever in connection with the development and improvement thereof, to execute the necessary instruments and covenants to effectuate the foregoing powers, including the granting of options in connection therewith;

(N) To form or cause to be formed, alone or with others, such corporations, partnerships, limited partnerships, limited liability companies, limited liability partnerships, business trusts, and other business organizations, including private trust companies under any of the aforementioned forms, organized under the laws of any state or country and to transfer and convey to such business organizations all or any part of the assets, real or personal, of any trust estate in exchange for such stocks, bonds, notes, other securities or interests (whether equity, debt, mixed or otherwise) of such business organizations as the Investment Trustees, in the exercise of its discretion, may deem advisable;

(O) To purchase from the legal representatives of Trustor's estate, the estate of Trustor's Spouse or the estate of any beneficiary of any trust any property constituting a part thereof at its fair market value and to make loans for adequate consideration to the legal representatives of Trustor's estate or Trustor's spouse's estate, upon such terms and conditions as the Investment Trustee, in the exercise of its discretion, may determine, and without court approval, even if the Investment Trustee and the legal representatives of such estate are the same person or entity and such purchase would otherwise constitute an act of self dealing;

(P) To purchase and sell life insurance on the life of any individual (other than insurance on Trustor's life or the life of Trustor's Spouse in the IGT) and to pay any premiums on any such life insurance policy held hereunder out of the income or principal of the trust estate or partially out of income and partially out of the principal;

(Q) To (i) conduct environmental assessments, audits and site monitoring to determine compliance with any environmental law or regulation thereunder; (ii) take all appropriate remedial action to contain, clean up or remove any environmental hazard, either on their own accord or in response to an actual or threatened violation of any environmental law or regulation; (iii) institute legal proceedings concerning environmental hazards or contests or settle legal proceedings brought by any governmental agency concerned with environmental compliance or by a private party; and (iv) comply with any order of a governmental agency or court directing an assessment, abatement or cleanup of environmental hazards;

(R) To appoint, employ and remove, at any time and from time to time, any accountants, attorneys, investment counselors, expert advisers, agents, clerks and

employees in furtherance of fulfilling its responsibilities as Investment Trustee hereunder, and to direct the Administrative Trustee to pay them such compensation as the Investment Trustee determines to be reasonable compensation for their services; and to the extent permitted by law, to delegate fiduciary responsibility for any matters designated herein to investment counsel and advisors;

(S) To direct the Administrative Trustee as to which particular assets of the Trust Estate to distribute in making any distribution directed by the Distribution Trustee, whether in cash, real or personal property or undivided fractional shares in real or personal property, without regard to whether such distribution is different in kind from any other distribution, and without regard to the income tax basis of the property distributed to or for the benefit of any beneficiary or any trust;

(T) To execute and deliver any and all instruments to carry out any of the foregoing powers, no party to any such instrument being required to inquire into its validity or to see to the application of any money or other property paid or delivered pursuant to the terms of any such instrument;

(U) To manage assets of any trust created hereunder in solido with any other trust held by the same Trustees for the benefit of the same beneficiaries and upon substantially the same terms and conditions as those set forth herein; and

(V) To purchase and retain as an investment of a trust hereunder any asset for the use of a beneficiary, regardless of investment returns, with the approval of the Trust Protector.

Article VII
Administrative Trustee

7.1 Identity. The initial Administrative Trustee under this Agreement shall be the **XYZ Trust Company, having a principal place of business in Concord, New Hampshire.**

7.2 Removal by Trust Protector and Appointment of Successor Administrative Trustee.

(A) The Trust Protector shall have the authority to remove any person or entity serving as Administrative Trustee, with or without cause. A removal shall be effective, without leave of court, immediately upon the delivery of written notice to that effect by the Trust Protector to the person or entity serving as Administrative Trustee and to the successor Administrative Trustee.

(B) In the event an Administrative Trustee dies, resigns, is removed from office, or otherwise ceases to act for any other reason, the Trust Protector shall designate a successor Administrative Trustee, which may be any one or more individuals or entities or combinations thereof, including the Trust Protector, but subject to the following sentences of this Paragraph (B). In no event Trustor, Trustor's Spouse, any lineal descendant of Trustor, any spouse of any lineal descendant of Trustor, any lineal descendant of Trustor's parents or a spouse thereof serve as Administrative Trustee. The Administrative Trustee may, but need not, be one or more individuals or entities that otherwise meet the above requirements that are already acting as a Trustee or Trust Protector hereunder. The Trust Protector shall maintain the situs of each affected trust as prescribed in Section 10.2 in choosing a successor Administrative Trustee.

(C) When more than one person or entity is serving as Administrative Trustee, the resignation of one person or entity that is serving as Administrative Trustee shall be effective, without leave of court, when such person or entity delivers a written resignation to the Trust Protector. If only one person or entity shall be serving as Administrative Trustee, the resignation of such person or entity is not effective until the successor Administrative Trustee has been chosen and has accepted the Administrative Trustee's duties pursuant to paragraph (D) of this section.

(D) The appointment of a successor Administrative Trustee pursuant to this section shall be effective on the date the successor accepts the Administrative Trustee's duties in an acknowledged instrument in writing delivered to the Trust Protector and the Trustees.

7.3 Liability of Administrative Trustee. The Administrative Trustee shall possess no liability to anyone whatsoever or be accountable before any court for any act or omission taken or made in accordance with any direction of the Distribution Trustee, the Investment Trustee, or the Trust Protector in the exercise of their powers hereunder.

7.4 Enumeration of Powers. In addition to all other powers herein granted to the Administrative Trustee, the Administrative Trustee is expressly authorized, in the exercise of its discretion:

(A) To hold assets of any trust created hereunder *in solido* with any other trust held by the same Trustees for the benefit of the same beneficiaries and upon substantially the same terms and conditions as those set forth herein;

(B) Whenever no entity is acting as Administrative Trustee, to place all or any part of the securities which at any time are held by the trust estate in the care and

custody of any bank, trust company or other financial institution with no obligation while such securities are so deposited to inspect or verify the same and with no responsibility for any loss or misapplication by the bank, trust company or other financial institution; to have all stocks and registered securities placed in the name of such bank, trust company or other financial institution or in the name of its nominee; to appoint such bank, trust company, or other financial institution as agent and attorney to collect, receive, receipt for and disburse any income, and generally to perform the duties and services incident to a so-called "custodian" account;

(C) To the extent permitted by law, to register any security in the name of a nominee, with or without the addition of words indicating that such security is held in a fiduciary capacity, and to hold any security in bearer form;

(D) Whenever permitted by law, to employ a broker-dealer as custodian for all or any part of the securities at any time held by the trust estate and to register such securities in the name of such broker-dealer;

(E) To ensure books and records of the trusts created hereunder are maintained and to maintain such books and records;

(F) To prepare or arrange for the preparation and filing of all tax returns required to be filed by any trust created hereunder;

(G) To maintain custody of all assets of the trusts created hereunder (other than real property and other than tangible personal property which the Distribution Trustee, in the exercise of its discretion, determines to make available for the use of any beneficiary hereunder), and to keep such assets or the physical evidence of their

ownership in any state or country whatsoever, and from time to time to move the same to any other state or country;

(H) To implement any decisions of the Investment Trustee, the Distribution Trustee, or the Trust Protector hereunder, including, but not limited to making distributions in the amounts and to those persons designated by the Distribution Trustee, and using such assets of the Trust Estate as directed by the Investment Trustee;

(I) To appoint, employ and remove, at any time and from time to time, any accountants, attorneys, expert advisers, agents, clerks and employees in furtherance of fulfilling its responsibilities as Administrative Trustee hereunder, and to pay them reasonable compensation for their services;

(J) To execute and deliver any and all instruments to carry out any of the foregoing powers, no party to any such instrument being required to inquire into its validity or to see to the application of any money or other property paid or delivered pursuant to the terms of any such instrument;

(K) To divide any trust created hereunder or any property used to fund or augment any trust created hereunder into two or more fractional shares to be held as separate trusts hereunder, as the Administrative Trustee, in the exercise of its discretion, determines, and to allocate to such divided trust some or all of the assets of the trust estate for any reason including, but not limited to, enabling any such trust or trusts to qualify as an eligible shareholder of an S corporation as described in Subchapter S of Chapter 1 of the Code, to provide an inclusion ratio (within the meaning of Section 2642(a) of the Code) of zero for a trust to which an allocation of GST tax exemption may be made, or for any other purpose;

(L) To hold property contributed by gift or bequest to a trust created hereunder as a separate trust with terms identical to the trust to which it would have been added;

(M) To make or terminate elections with respect to S corporation stock;

(N) To merge all or any part of the assets of any trust created hereunder with the assets of any other trust and held by the same Trustees for the benefit of the same beneficiaries and upon substantially the same terms and conditions as those set forth herein, and at the Administrative Trustee's discretion, either (i) administer the merged assets as a single trust hereunder, or (ii) transfer the trust assets to that other trust, to be administered under the instrument governing that other trust, and thereafter terminate the trust hereunder as a separate entity; if the Administrative Trustee elects to administer the merged assets as a single trust under this Agreement, then the Administrative Trustee is authorized, in the exercise of its discretion, later to divide that trust as provided above in this Section; without in any way limiting the discretion of the Administrative Trustee granted by this paragraph, it is envisioned that the Administrative Trustee will not elect to combine two or more trusts with different inclusion ratios for generation-skipping transfer tax purposes;

(O) To allocate receipts and expenses between income and principal in accordance with applicable state law, or, if applicable state law is not certain, to allocate receipts and expenses between principal and income as the Administrative Trustee, in the exercise of its discretion, shall determine to be appropriate;

(P) To make such elections under the tax laws as the Administrative Trustee, in the exercise of its discretion, may determine to be appropriate, regardless of

the effect thereof on any interests in any trust created under this Agreement or upon any beneficiary hereunder, and to determine whether or not any adjustment of such interests shall be made by reason of any such election; and

(Q) To change the fiscal year of any trust governed by this Agreement such that the fiscal year will end on any day of the calendar year.

Article VIII General Trustee Provisions

8.1 Division of Responsibility. Trustor has designated a separate Investment Trustee, Administrative Trustee, and Distribution Trustee for the purpose of allocating various fiduciary responsibilities among them, and Trustor hereby directs that no such Trustee shall have any responsibility whatsoever for the acts or omissions of any other Trustee or for monitoring any of the acts of such other Trustee. It is Trustor's intent that each Trustee shall only have responsibility for, and be liable for, the specific areas designated herein with respect to such Trustee. By way of example, and not limitation, no Administrative Trustee shall be liable for any investment decision, as all such decisions are within the exclusive province of the Investment Trustee.

8.2 Trusts Governed by New Hampshire Law. It is Trustor's intention that the trusts created under this Agreement be treated as trusts described in the Act, specifically Section 2. Accordingly, unless the Trustee Protector determines to move situs of a trust hereunder to another jurisdiction pursuant to Section 10.2 herein, it is required that (a) at all times at least one Trustee of each trust shall be a "qualified trustee" under Sections 3 and 4 of the Act; (b) the duties of that trustee, regardless of whether that trustee is acting in the capacity of Investment Trustee, Distribution Trustee, or Administrative Trustee, shall include the duty and responsibility to maintain books and

records of the trust in New Hampshire on an exclusive or non-exclusive basis, and to prepare or to arrange for the preparation of the tax returns of the trust; (c) at least some assets of the trust shall be deposited or otherwise custodied in New Hampshire, and at least part of the administration of the trust shall occur in New Hampshire as required in Section 3 of the Act.

8.3 Trustee and Trust Protector Compensation. Each separate trust hereunder shall be chargeable with, and shall be entitled to pay, the following items without application to any court:

(A) The reasonable expenses of its Trustees and Trust Protector in the administration of such trust, including the fees and expenses of such agents, attorneys, accountants, and other advisors as the Trustees may employ in the administration of such trust; and

(B) Reasonable compensation for the services rendered and responsibilities assumed by each of the Trustees and Trust Protectors in the administration of such trust, as may be determined under the applicable law.

In addition, the Administrative Trustee shall pay all expenses requested by the Trust Protector as set forth in Section 9.10 and 9.11 hereof.

8.4 No Periodic Accounts to Court. No Trustee shall be required to file or render periodic accounts in or to any court. No Trustee shall be required to give any bond.

8.5 Trust Protector and Others May Demand Accounting. The Trust Protector, Trustor and Primary Beneficiaries may from time to time demand from the Trustees of any trust governed by this Agreement in which they are interested persons an

accounting of the performance of his, her or its duties hereunder, and the Trustees will provide such information within a reasonable time.

8.6 Fiduciary Duty and Standard of Care of Trustee.

(A) Each Trustee serving hereunder shall be subject to a fiduciary duty in the performance of their responsibilities hereunder.

(B) No Trustee or Trust Protector shall have liability for the actions or inactions of the other Trustees or Trust Protectors in carrying out their respective duties hereunder; and

(C) Each Trustee and Trust Protector shall be fully indemnified (including indemnification for attorney fees and costs incurred by such Trustee or Trust Protector in defending himself or herself or itself) by the trust estate against any claim or demand by any creditor of any trust governed by this Agreement, except for any claim or demand that results in a finding of gross negligence, willful misconduct or intentional fraud, proven by clear and convincing evidence, that demonstrates a failure to act in good faith.

8.7 Delegation of Duties or Powers. Any Trustee may delegate any duties or powers, discretionary or otherwise (including, without limitation, any investment powers), to a co-Trustee for such periods and upon such terms and conditions as may be designated in a written instrument acknowledged in such form as would entitle a deed of real property to be recorded and delivered to such co-Trustee; and the Trustee so delegating any duties or powers hereunder shall have no further responsibility with respect to the exercise of such duties or powers so long as such delegation shall remain in effect; and any such delegation shall be revocable by a similar instrument so delivered at

any time; provided, however, that no duties or powers of the Distribution Trustee may be delegated to a Trustee that would not otherwise qualify as a Distribution Trustee under Section 5.2, and no duties can be delegated if such delegation would subject the trusts governed by this Agreement to the rule against perpetuities, or other similar law that would jeopardize the perpetual nature of such trusts, or cause the loss of the situs of the trusts governed by this Agreement chosen initially by Trustor or subsequently chosen by the Trust Protector pursuant to Section 10.2.

8.8 Written Confirmation. The written confirmation of any Trustee that the Trustee is acting in compliance with this Agreement shall fully protect all persons dealing with the Trustee.

8.9 Powers Not Exclusive. The powers granted to the Trustees hereunder in and by this Agreement may be exercised in whole or in part and from time to time, and without court authorization, and shall be deemed to be supplemental and not exclusive, it being Trustor's intention that the Trustees hereunder shall have all the general powers of fiduciaries under state law that have not otherwise been specifically granted under this Agreement to another Trustee serving hereunder, as well as all of the special powers herein expressly granted, and all powers incidental to, reasonably to be implied from, or necessary to the proper exercise of, the powers herein enumerated.

8.10 Trustee Powers Savings Clause. Notwithstanding anything to the contrary in this Agreement, in no event shall any beneficiary of any trust created hereunder ever participate in any way as a Trustee or Trust Protector of that trust in (i) the exercise, or decision not to exercise, any discretion over beneficial payments, distributions, applications, uses or accumulations of income or principal of such trust, or

in (ii) the exercise of any general power of appointment described in Section 2041 or Section 2514 of the Internal Revenue Code. If any Trustee or Trust Protector of any trust governed by this Agreement is under a duty to support a beneficiary or is acting as a guardian of any person who is a beneficiary, such Trustee or Trust Protector of that trust shall not participate in the exercise, or decision not to exercise, any discretion over beneficial payments, distributions, applications or uses of trust property in discharge of any obligation of support. No Trustee or Trust Protector of a trust shall participate in the exercise of any discretion (including, but without limitation, any discretion which would constitute an "incident of ownership" within the meaning of section 2042(2) of the Code) with respect to any insurance policy on his or her life held by such trust. In each case, the determination of the remaining Trustee or Trustees shall be final and binding upon the beneficiaries of such trust. In addition, no individual shall serve as Trustee or Trust Protector of any trust which holds property with respect to which such individual has made a qualified disclaimer within the meaning of section 2518 of the Code.

8.11 Trustee Action in Fiduciary Capacity. Every act done, power exercised or obligation assumed by any Trustee pursuant to the provisions of this Agreement shall be held to be done, exercised or assumed, as the case may be, by such Trustee acting in a fiduciary capacity and not otherwise, and every person, firm or corporation contracting or otherwise dealing with a Trustee shall look only to the funds and property of the applicable trust for payment under such contract or payment of any money that may become due or payable under any obligation arising under this Agreement, in whole or in part, and no Trustee shall be individually liable therefor regardless of whether the Trustee expressly exempted himself, herself or itself from individual liability when entering into

any contract, obligation or transaction in connection with or growing out of the administration of such trust.

8.12 Trustee Duty of Loyalty / Duty Not to Compete. Each Trustee is bound by a duty of loyalty to the beneficiaries of the trusts governed by this Agreement, and therefore agrees, by accepting their respective duties, not to use information obtained in the course of performing their duties under this Agreement for any purpose other than for the benefit of the trusts governed by this Agreement.

8.13 Restrictions Relating to Trustor. Notwithstanding any other provision of this Agreement, no power enumerated herein or accorded to any Trustee, the Trust Protector, or to the Selector shall be construed:

(A) To enable the Trustor or the Trustor's Spouse (i) to become a Trustee, Trust Protector or Selector hereunder, (ii) to vote any stock which may at any time be directly or indirectly given to or held by any trust hereunder, (iii) to exercise any power of appointment with respect to any such trust, (iv) to exercise any incident of ownership under Section 2042 with respect to any life insurance policy held hereunder, or (v) to exercise any power described in section 2036(a)(2) or 2038 of the Code; or

(B) To permit any trust distribution which would have the effect of discharging any legal obligation of the Trustor or the Trustor's Spouse (including any obligation which the Trustor or the Trustor's spouse may have at any time relating to the support and/or education of any beneficiary hereunder).

If at any time any person other than Trustor or Trustor's Spouse makes a contribution to any trust created hereunder (other than to a trust as to which such person then has any general power of appointment), such person ("the donor") shall be deemed

thereafter to be an additional "Trustor" with respect to the addition to the trust receiving such gift ("the donee trust") for the purposes of the restriction provisions set forth herein and for the purposes of all limitations, exceptions, restrictions and exclusions referring to the Trustor contained in other provisions of this Agreement (but only insofar as they relate to the donee trust and the additions made by such donor.)

Article IX Trust Protector

9.1. Appointment of Trust Protector. The initial Trust Protector shall be **Robert Jones of Boston, Massachusetts**. In the event of **Mr. Jones'** resignation, removal, death or incapacity the successor Trust Protector shall be **Robert Johnson of Boston, Massachusetts**. In the event of a vacancy in the office of Trust Protector, if any beneficiary of any trust being administered hereunder determines that the appointment of a Trust Protector is appropriate, that beneficiary may request that the Selector designated under Section 9.5 (B) appoint a Trust Protector or Protectors.

9.2 Resignation of Trust Protector. Any individual serving as a Trust Protector may resign from office without leave of court at any time and for any reason, provided that a successor has been appointed pursuant to Section 9.5 and such successor has accepted his or her appointment. Such resignation shall be effective on the date the successor accepts such Trust Protector's duties in writing delivered to the remaining individuals serving as Trust Protector and the Trustees.

9.3 Incapacity of Trust Protector. An individual serving as Trust Protector shall be deemed to have resigned effective upon his or her incapacity to serve as Trust Protector. The incapacity of an individual to serve as a Trust Protector hereunder shall be determined by the attending physician of such individual, and such determination shall be

evidenced by a written statement from such attending physician indicating whether such individual has the mental and physical capacity to serve as a Trust Protector hereunder.

9.4 Removal of Trust Protector. An individual serving as Trust Protector may be removed for cause by any court having jurisdiction over this Agreement.

(A) "For cause" shall mean (i) failing of the Trust Protector faithfully and substantially to carry out the material terms of his or her responsibilities hereunder, (ii) being convicted of a felony or crime involving moral turpitude, (iii) using illegal drugs or other mind altering substances, or being addicted to alcohol, or having another disorder that renders the Trust Protector incapable of handling his duties responsibly; (iv) grossly neglecting the Trust Protector's duty, (v) having demonstrated dishonesty, theft, fraud, or embezzlement, or (vi) deliberate undermining of the business operations or misappropriation of business opportunities of the entities owned by trusts subject to this Agreement.

(B) In the event an individual serving as a Trust Protector shall be accused and formally charged by a governmental representative of a felony or a crime involving moral turpitude, such individual shall be suspended from service as Trust Protector until the charges are dropped or he or she is acquitted, at which time he or she will resume service as Trust Protector. In the interim, the first successor Trust Protector shall serve as temporary Trust Protector and if the first successor Trust Protector is unwilling, unable or ineligible to accept then Selector shall choose a temporary Trust Protector for that interim period.

9.5 Replacement of Individual Trust Protector.

(A) Any resigning Trust Protector may designate his or her successor as Trust Protector. If the office of Trust Protector remains unfilled within 15 days following such resignation, or in the event of removal, incapacity or death of a Trust Protector, the Selector shall select the individual(s) who will serve as the successor Trust Protector. The "Selector," if needed, will be chosen by **John Barrister, Esq.**, and if he is unable or unwilling to serve as the Selector, the Selector shall be **the New Hampshire State Chairperson of the American College of Trust and Estates Counsel**, and if the vacancy goes unfilled after 15 days of the delivery **to such Chairperson** of written notice of his or her power to fill the vacancy, the Selector shall be a judge of competent jurisdiction in the trust's situs state.

If called upon to act, the Selector shall be entitled to a reasonable fee to be determined by a court of competent jurisdiction.

(B) In no event shall Trustor, Trustor's Spouse, any lineal descendant of Trustor, any current or former spouse of any lineal descendant of Trustor, any lineal descendant of Trustor's parents or a current or former spouse thereof, any other person who has contributed property to a trust governed by this Agreement, or any person or entity that is related or subordinate (within the meaning of Code Section 672(c)) to any of the foregoing, serve as a Trust Protector or as the Selector. Also, any individual or entity selected to serve as a Trust Protector must be an individual or entity that is financially independent from, and in no way related or subordinate (within the meaning of Code Section 672(c)) to, the individuals serving as Trust Protector who select a replacement individual or entity to serve as a Trust Protector, or, in the event there are no remaining

individuals serving as Trust Protector, any individual selected to serve as a Trust Protector must be an individual or entity that is financially independent from, and in no way related or subordinate (within the meaning of Code Section 672(c)) to, the Selector. For purposes of this paragraph, "financially independent" shall mean no significant transfers, in terms of either party's net worth, of assets have occurred between the new Trust Protector and any person or entity appointing that new Trust Protector.

(C) The appointment of a successor Trust Protector shall be effective on the date the successor accepts the Trust Protector's duties in an acknowledged instrument in writing delivered to the remaining individuals serving as Trust Protector (or if none, to the selector) and the Trustees. Any successor Trust Protector shall have all of the powers of the initial Trust Protector.

9.6 Powers of Trust Protector. By unanimous vote of the individuals then-serving as Trust Protector, or the unilateral action of the Trust Protector if only one (1) individual is serving, the Trust Protector shall be authorized to do the following:

(A) Remove Trustees and Change Situs. The Trust Protector is authorized, in the exercise of its discretion, to remove any and all persons or entities serving as a Trustee hereunder from serving in such capacity, to appoint successor Trustees within the parameters provided in this Agreement, to change the situs of any of the trusts governed by this Agreement as provided in Section 10.2, and to exercise all other powers conferred on the Trust Protector hereunder.

(B) Amend this Agreement. The Trust Protector is authorized, by written instrument delivered to the Trustees, to modify or amend any of the terms of this Agreement in any respect believed by the Trust Protector to be necessary or desirable for

the benefit of Trustor's Beneficiaries so long as any of Trustor's Beneficiaries are living. Notwithstanding the intentionally broad language of the preceding sentence regarding the Trust Protector's right to amend this Agreement, in no event shall the Trust Protector make any amendment or modification to this Agreement, or exercise any power under this Agreement, that would do any of the following:

(1) Make changes that would destroy the legality of the trusts governed by this Agreement, or increase the exposure of the assets of the CGT to federal estate or generation-skipping taxation;

(2) Make changes that would eliminate any of the restrictions applying to Trustor or Trustor's Spouse as set forth in Section 8.13 or that would be inconsistent with Trustor's intent as expressed in the "Recitals" hereto; or

(3) Make changes that would alter its role under this Agreement, except with the approval of the court then having jurisdiction over this Agreement.

9.7 Trust Protector's Role and Responsibility. In general, the role of the Trust Protector is twofold: (1) to act as a "court of appeals" which hears grievances and resolves problems that may arise from time to time; and (2) to review sufficient information about the overall activities related to the trusts hereunder in order to be able to make a well-informed judgment from time to time as to whether the fundamental goal set forth in this Agreement is being accomplished. Hence, there is a passive element to the Trust Protector's role when it is acting as a court of appeals to resolve problems, and there is a somewhat more active element to the Trust Protector's role insofar as the Trust Protector is involved in reviewing the activities of the trusts hereunder from time to time.

The Trust Protector is not intended to be actively involved in the operations of the trusts or business activities governed by this Agreement, or to be required to perform routine audits or other investigation of the activities of the Trustees, but rather the Trust Protector is meant primarily as a court of last resort to resolve problems as they arise, and as the entity to whom the Trustees are accountable in measuring the performance of their duties. The Trust Protector shall not be liable for the exercise or failure to exercise its authority except in cases of gross negligence, willful misconduct, or fraud, proven by clear and convincing evidence.

9.8 Trust Protector Requested to Meet with Beneficiaries Upon Request.

It is Trustor's wish that the Trust Protector be available to consult with beneficiaries upon request of the beneficiaries and with reasonable notice to the Trust Protector, to determine whether and to what extent to exercise the powers granted to the Trust Protector under this Agreement, but any exercise or non-exercise of such powers and discretions shall be in the discretion of the Trust Protector and shall be binding and conclusive on all persons affected thereby.

9.9 Trust Protector's Standard of Care and Right of Indemnity. Except for any matter involving the Trust Protector's own individual gross negligence, willful misconduct or intentional fraud, proven by clear and convincing evidence, no Trust Protector shall incur any liability by reason of any error of judgment, mistake of law, or action or inaction of any kind taken or omitted to be taken hereunder, and further, the Trust Protector shall be indemnified and held harmless by each trust whose beneficiaries may bring any claim or protest against the Trust Protector (including indemnification for

attorney fees and costs incurred by such Trust Protector in defending himself or herself or itself).

9.10 Payment of Trust Protector's Expenses. The Administrative Trustee shall pay all fees and expenses incurred by the Trust Protector, including expenses for lodging and travel, as well as fees of professional advisors, such as attorneys, actuaries, accountants, investment managers, appraisers, and other advisors, incurred by the Trust Protector and approved as reasonable by the Trust Protector, that are in any way related to a trust governed by this Agreement, whether incurred to assist the Trust Protector in changing the situs of the Trust, choosing a replacement trustee, amending the Agreement or otherwise, defending its actions (regardless of the outcome) as Trust Protector in the event of a challenge by a beneficiary, trustee or other interested person, or upholding this Agreement pursuant to Article XII hereof.

9.11 Compensation of Trust Protector. The Administrative Trustee shall pay to each individual serving as Trust Protector a reasonable compensation upon request. In general, it is Trustor's intent that the Trust Protectors be reasonably compensated to ensure that they are individuals who have sufficient experience, education and temperament to be able to exercise considered judgment in performing their responsibilities hereunder; however, any such compensation is subject to review by the court having jurisdiction of this trust to monitor the compensation paid to such Trust Protectors to ensure it is reasonable in light of the duties and responsibilities they are performing.

Article X
Governing Law, Trust Situs and Forum Selection

10.1 Governing Law. The validity, construction, and effect of the provisions of this Agreement shall be governed by the laws of the State of New Hampshire, unless and until the situs of the trusts created under this Agreement are moved to another jurisdiction, at which time this Agreement shall be governed by the laws of the situs of the trusts created hereunder, as such situs may exist from time to time, unless the Trust Protector elects to have the laws of a prior situs continue to govern pursuant to paragraph (B) of Section 10.2.

10.2 Trust Situs.

(A) The situs of all trusts created under this Agreement shall be the State of New Hampshire, unless and until the Trust Protector elects to change such situs as provided hereunder.

(B) The situs of all trusts created hereunder may be changed at any time to any jurisdiction (including outside the United States), as the Trust Protector, in the exercise of its discretion, shall decide, subject only to the requirement that the situs of all trusts must be maintained in the same jurisdiction, and such jurisdiction shall not have a rule against perpetuities or other similar law that would jeopardize the perpetuity of any trust governed by this Agreement. Upon any such transfer of situs, each trust may thereafter, at the election of the Trust Protector, be administered exclusively under the laws of (and subject, as required, to the exclusive supervision of the courts of) the jurisdiction to which they have been transferred, or alternatively, the Trust Protector may elect to have the laws of the prior situs continue to govern such trusts. Accordingly, if the Trust Protector elects to change the situs of all trusts governed by this Agreement, the

Trustees of said trusts are hereby relieved of any requirement of having to qualify in any other jurisdiction and of any requirement of having to account in any court of such other jurisdiction. It is specifically contemplated herein that the Trust Protector may only elect to change the situs of all of the trusts created herein so that the law of only one jurisdiction shall apply to this Agreement at any one time. Trustor is granting the foregoing power to change the situs of the Trusts so that the Trust Protector can respond to, or act in anticipation of, any changes or proposed changes in the tax law or substantive law governing this Agreement in a manner that will protect the integrity of the plan set forth herein to the maximum extent possible.

(C) In the event the Trust Protector removes a Trustee and directs such removed Trustee, in writing, to turn over its responsibilities to a successor Trustee, such removed Trustee shall take all steps necessary to effect a complete, orderly and expeditious transfer of its responsibilities to the successor Trustee.

10.3 Forum Selection. In the event any dispute arises regarding the validity, construction, or effect of this Agreement, such dispute shall be heard in the state courts of New Hampshire (or, if the Trust Protector has changed the situs of the affected trusts, the courts situated in the situs of such affected trusts).

Article XI Spendthrift Trust Provision

The interest of a beneficiary of any trust hereunder may not be either voluntarily or involuntarily transferred before the payment or delivery of the interest to the beneficiary by the Trustees, within the meaning of Section 2(I)(c) of the Act in a manner which is enforceable under applicable non-bankruptcy law within the meaning of section 541(c)(2) of the Bankruptcy Code (11 U.S.C. section 541(c)(2)), as it exists on the date of

this Trust Agreement. Accordingly, no beneficial interest in any trust created hereunder, whether in income or in principal, shall be subject to anticipation, assignment, pledge, sale or transfer in any manner, and no beneficiary of any such trust or other person interested therein shall have the power to anticipate, encumber or charge his or her interest therein, and no trust estate created hereunder shall be liable for or subject to the debts, contracts, obligations, liabilities or torts of any beneficiary of any such trust or other person interested therein; provided, however, that nothing contained herein shall be construed as preventing any beneficiary from making a qualified disclaimer within the meaning of Section 2518 of the Code with respect to interests created herein.

Article XII
Trustees and Trust Protector Shall Vigorously Defend The Trust

Each of the Trustees and Trust Protector is hereby directed and instructed to defend as vigorously as possible against any threatened or filed legal action which challenges the Trust or the enforcement or applicability of any of its terms. Further, the Trustees and the Trust Protector are instructed to spare no expense in hiring the best possible lawyers to provide legal representation to each of them, including multiple lawyers and law firms if deemed desirable. The Trustees and Trust Protector shall not be subject to any debit, surcharge or forfeiture of such expenditures made in defense of such trust. In the event that the Administrative Trustee refuses to provide funds necessary to mount a vigorous defense, Trustor requests that a court grant such relief as is necessary and appropriate to ensure that the remaining Trustees and the Trust Protector can pay for as vigorous a defense as possible to any challenge brought against this Trust.

Article XIII
Miscellaneous Provisions

13.1 Additional Contributions Provision. Any individual may at any time and from time to time transfer and deliver, or may bequeath or devise by Last Will and Testament, to the Trustees cash or other property acceptable to the Trustees, which property, with the approval and consent of the Trustees, shall thereupon become a part of the trust estate and shall be held, administered and disposed of by the Trustees in all respects subject to the provisions of this Agreement.

13.2 Term of Trustees' Duties. The titles, powers, duties, immunities and discretions herein conferred upon the Trustees shall continue after the termination of any trust hereby created until final distribution of the trust estate.

13.3 Application to Successors. This Agreement shall extend to and be binding upon Trustor's executors, administrators, and assigns, as well as upon the successors to the Trustees.

13.4 Back-Up Perpetuities Provision. It is Trustor's intent that the trusts under this Agreement shall have the possibility of being perpetual in duration. If for any reason any property held or to be held in a trust governed by this Agreement is deemed by a court of competent jurisdiction to be subject to a rule against perpetuities or other similar rule which limits the period during which such property must vest or limits the duration during which such property can be held in trust, then such property shall be segregated and held in a separate trust that has terms identical to the terms that would otherwise govern such property under this Agreement, except that such separate trusts shall terminate on the day before the twenty-first (21st) anniversary of the death of the last to die of all of the lineal descendants of former President George H. W. Bush who were

in being on the date that the rule against perpetuities or other similar rule was deemed to have commenced, or if earlier, the last date permitted under the laws of the applicable jurisdiction governing the affected trust ("Time of Vesting"), and the trust property shall thereupon be transferred, conveyed and paid over to the Primary Beneficiary of such trust, to be his or hers absolutely, unless such Primary Beneficiary shall be less than twenty-one years of age as of the Time of Vesting, in which case the assets of such trust shall be shall be paid over to a custodian for the benefit of the Primary Beneficiary under the New Hampshire Uniform Transfers to Minors Act or similar provision.

13.5 Severability. In the event that any provision of this Agreement is held to be invalid, void or illegal, the same shall be deemed severable from the remaining provisions of this Agreement, and shall in no way affect, impair or invalidate any other provision in this Agreement. If such provision shall be deemed invalid due to its scope and breadth, such provision shall be deemed to be limited to the extent of the scope and breadth permitted by law.

13.6 Counterparts. This Agreement may be executed in several counterparts, each of which, when taken together shall constitute one and the same instrument.

13.7 Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect any of the terms hereof. Unless otherwise specified, references in this Agreement to articles, sections or paragraphs by their numbers, designations or location shall be deemed to designate the appropriate article, section or paragraph of this Agreement.

13.8 Trustor's Income Tax. During the Trustor's lifetime, the Distribution Trustee may, in such Trustee's uncontrolled discretion, make distributions of any of a

CGT's or IGT's net income and principal directly to the Internal Revenue Service to pay, in whole or in part, income taxes due on the income and gains of the subject trust, as contemplated in Section 2 III of the Act, and RSA 564-B:5-505(a)(2)(D).

13.9 Death Tax and Wealth Transfer Tax Liabilities. If the Distribution Trustee determines, in its uncontrolled judgment, that all or a portion of the assets of a trust being administered hereunder are subject to a state or federal death tax or wealth transfer tax liability (including, without limitation, a state or federal estate tax payable upon or by reason of the death of a beneficiary of the trust), the Trustor hopes (but does not direct) that such Trustee will exercise a discretion hereby granted to make liquid assets of the subject trust available to the beneficiary's personal representative to assist such representative to pay any tax liability which such personal representatives certifies in writing to be due as a result of the inclusion of the trust assets in the base against which such tax liability is assessed. Any action taken by the Distribution Trustee in the exercise of this discretion, whether in the form of an outright distribution of assets to such personal representative, loans of trust assets to such personal representative, or the use of the trust's liquid assets to purchase illiquid assets subject to the fiduciary control of such personal representative, shall be final and binding on all persons interested in the subject trust estate.

13.10 Restrictions Relating to Trustor and Trustor's Spouse.

Notwithstanding any other provision of this Agreement, no power enumerated herein or accorded to trustees generally pursuant to law, singly or as a whole, shall be construed to enable the Trustor or any spouse of the Trustor to become a Trustee or Trust Protector hereunder.

13.11 Trustor's Intention. It is the Trustor's intention that the assets held hereunder shall be subject to the claims of the creditors of neither the Trustor nor any other beneficiary hereunder. This Agreement shall be construed and the trusts hereunder administered accordingly.

13.12 Further Provisions re: S Corporation Stock.

(A) Non-Qualified Trusts. Notwithstanding any other provision of this Trust Agreement, if at any time any trust created hereunder ceases to be a "grantor trust" under Code §671 et seq., and (i) such Trust holds stock of an S corporation as defined in Code §1361(a), and (ii) the Trustee determines in its sole judgment that such stock cannot practically be held in such trust (a "non-qualified trust") (other than pursuant to this provision) without causing the corporation to lose its status as an S corporation, then notwithstanding anything to the contrary herein, prior to the expiration of any grace period described in the Code during which such a trust can hold the stock of a S corporation without voiding the corporation's S election, the Investment Trustee shall, in its sole and absolute discretion, either (i) perfect any required election to hold the stock in an "electing small business trust" as defined in the Code, in which case such electing small business trust shall have the same dispositive provisions as the non-qualified trust; (ii) distribute the trust assets to the remainder beneficiaries then living as if the events had then occurred which would terminate the non-qualified trust according to its terminal distribution provisions, or (iii) allocate such stock into separate subtrusts (collectively "QSSTs" and individually a "QSST"), in which case such QSSTs and the S corporation stock held in such QSSTs shall be administered as provided in Paragraph (B) below.

(B) Administration of QSST. If the Investment Trustee exercises its discretion to create a QSST, such Trustee shall instruct the Administrative Trustee to create a separate QSST for the primary beneficiary of the non-qualified trust. If there is no primary beneficiary of the non-qualified trust, the Investment Trustee, in its sole and absolute discretion, shall designate as the primary beneficiary of such non-qualified trust one of the persons then eligible to receive income from such trust. The Trustor hopes, but do not direct, that when designating such primary beneficiary, the Investment Trustee will give primary consideration to designating the trust's primary beneficiary as hereinabove defined, but if there is no primary beneficiary or multiple primary beneficiaries, the Investment Trustee will designate the oldest living income beneficiary of such non-qualified trust (other than the Trustor). The Investment Trustee's discretion regarding the designation of a primary beneficiary under this Paragraph shall be absolute and not subject to question by any person beneficially interested in any trust created under the terms of this Agreement. The Trustees shall administer the separate QSST established for such primary beneficiary as provided in this Paragraph, regardless of whether the provisions of this Paragraph conflict with the provisions of the non-qualified trust in which such stock would otherwise have been held in the absence of this Paragraph.

(1) The Administrative Trustee shall pay to the primary beneficiary all of the net income from the beneficiary's QSST in annual or more frequent installments. During the lifetime of such primary beneficiary, net income may be distributed only to such primary beneficiary, and the income interest of the primary

beneficiary shall terminate upon the earlier of the death of such primary beneficiary and the termination of the QSST.

(2) The Trustee shall pay to the primary beneficiary or to the primary beneficiary's guardian or conservator, upon the request of the beneficiary or the guardian or conservator, an amount of the principal of the beneficiary's QSST sufficient to pay the beneficiary's state and federal income taxes attributable to the income allocable to the beneficiary with respect to the S corporation stock in the beneficiary's QSST. In addition, the Investment Trustee may pay out of the principal such amount or amounts as the Trustee, in its sole and absolute discretion, determines to or for the benefit of the primary beneficiary. Notwithstanding the foregoing, no stock of the Corporation shall be distributed to the primary beneficiary without board-level approval as provided in Section 2.1(B)(3) of ARTICLE II hereof.

(3) Upon the primary beneficiary's death, any income of the beneficiary's QSST which has accrued but has not been paid shall be paid to the beneficiary's estate. The principal shall be disposed of as provided in the non-qualified trust.

(4) The Distribution Trustee shall make no distribution of income or principal of the QSST to any person other than the primary beneficiary during his or her lifetime. If for any reason the QSST terminates during the lifetime of the primary beneficiary, the QSST shall distribute all of its assets to such primary beneficiary.

(5) Each QSST created hereunder is intended to be a "qualified subchapter S trust" within the meaning of Code §1361(d)(3), and it is the Trustor's desire

that each primary beneficiary make the election under Code §1361(d)(2) to establish or to continue the S corporation status for each affected corporation. Any provision of this Agreement that would disqualify a trust as a qualified subchapter S trust is hereby declared void, and each provision required under the relevant provisions of the Internal Revenue Code or the regulations, rulings, or other official pronouncements is incorporated herein by this reference.

(C) Maximum Number of Shareholders. Under no circumstances shall such stock be allocated to more than the maximum number of shareholders permitted under Code §1361, and if an electing small business trust, individual beneficiary, or QSST cannot receive stock because of this restriction, the Distribution Trustee is directed to allocate other assets of equal value to the trust or beneficiary, as the case may be, in lieu of the S corporation stock, and such Trustee's discretion regarding the trusts or beneficiaries affected and the selection of assets allocated thereto shall be absolute.

Article XIV Definitions

14.1 Administrative Trustee. References in this Agreement to the "Administrative Trustee" shall refer to the entity named in Section 7.1 and any successor individual or entity named to serve in such capacity as provided in Section 7.2.

14.2 Agreement. References in this Agreement to the "Agreement" shall refer to this Trust Agreement.

14.3 XYZ Trust Company. References in this Agreement to "**XYZ Trust Company**" shall be deemed to designate the trust company existing by that name at the time of the execution of this Agreement, with its principal office in **Concord, New Hampshire**, and any banking association, corporation, trust company or other entity

empowered by law to act in a fiduciary capacity that succeeds immediately, intermediately or ultimately to the aforesaid entity or to all or substantially all of the fiduciary business thereof, by whatever means such succession may occur.

14.4 Per Stirpes. A disposition in this Agreement to the descendants of a person in per stirpital parts, or to the descendants of a person per stirpes, shall be deemed to require a division into a sufficient number of equal shares to make one such share for each child of such person living at the time such disposition becomes effective and one share for each then deceased child of such person having one or more descendants then living, regardless of whether any child of such person is then living, with the same principle to be applied in any required further division of a share at a more remote generation.

14.5 Code or Internal Revenue Code. References in this Agreement to the "Code" or the "Internal Revenue Code" shall mean the Internal Revenue Code of 1986, as amended, and reference to any provision or section of that Code shall also be deemed to refer to the provision or section of the federal tax law in effect at the execution of this Agreement that corresponds to the provision or section referred to in this Agreement, and as any such provision or section may be amended from time to time thereafter.

14.6 Distribution Trustee. References in this Agreement to the "Distribution Trustee" shall refer to the individual or entity named in Section 5.1, and any successor individual or entity named to serve in such capacity as provided in Section 5.2.

14.7 GST Tax. References in this Agreement to the "GST tax" shall refer to the generation-skipping transfer tax imposed by Sections 2601, *et seq.*, of the Internal Revenue Code.

14.8 Investment Trustee. References in this Agreement to the "Investment Trustee" shall refer to the individual or entity named in Section 6.1, and any successor individual or entity designated to serve in such capacity as provided in Section 6.2.

14.9 Lineal Descendant. For purposes of determining beneficial interests in any trust created hereunder, the terms "child," "descendant" and "lineal descendant," and the plural of each, as used herein shall include and mean the following persons :

1. Children sired by or born to or adopted by a Beneficiary;
2. Persons sired by or born to or adopted by one of a Beneficiary's

children, persons sired by or born to or adopted by one of those persons, etcetera;

Provided, however, anything in the foregoing to the contrary notwithstanding, adopted as used above only includes adoptions which are intended for the purpose of establishing a normal and customary parent-child relationship, and only if such adoption occurs before such minor child attains eighteen (18) years of age. In determining whether a child is an adopted as defined herein, the Distribution Trustee shall take whatever measures are necessary to ascertain that such child was adopted for the purpose of establishing a normal and customary parent-child relationship, and any adoption that is determined by the Distribution Trustee, in its discretion, not to be for such purpose shall be deemed null and void for all purposes of this Trust.

Further provided, however, anything in the foregoing to the contrary notwithstanding the terms "child," "descendant" and "lineal descendant," and the plural of each, as used herein shall specifically exclude the following:

Any person who is the product of an egg or sperm or fertilized embryo donated or sold by a Beneficiary to any person other than to (1) the Beneficiary's spouse, or (2) one

of that Beneficiary's descendants, or (3) the spouse that Beneficiary's descendants as part of a procedure to allow the recipient to bear a child to be reared as a member of the recipient's family.

14.10 Primary Beneficiary's Trust. References in this Agreement to "Primary Beneficiary's Trust" shall mean each separate trust created under this Agreement for the benefit of a Primary Beneficiary and his or her descendants.

14.11 Selector. References in this Agreement to the "Selector" shall refer to the individual(s) and/or entities named in Section 9.5(B).

14.12 Trust Protector. References in this Agreement to the "Trust Protector" shall refer to the individual named in Section 9.1, and any successor individual or entity designated to serve in such capacity as provided in Section 9.5.

14.13 Trustees. The word "Trustees" or "Trustee" as used herein, when not modified by the words "Distribution," "Investment" or "Administrative," shall refer to all of the Distribution Trustee, the Investment Trustee, and the Administrative Trustee then acting hereunder, or such of the Trustees as the context of the sentence indicates.

14.14 Spouse. Reference in this Agreement to "Spouse", when the reference is to the Spouse of a primary beneficiary, shall refer to the person to whom an individual is lawfully married and with whom such individual is living as husband or wife, as the case may be, and with respect to any deceased Primary Beneficiary, the person to whom such Primary Beneficiary was lawfully married and with whom such Primary Beneficiary was living as husband and wife at the time of the death of Trustor. Persons shall not be treated as not living as husband and wife merely on account of absences due to education, business, health or similar reasons.

Article XV
Irrevocable Nature of Trust

Trustor has been advised by counsel that, after execution of this trust, it will thereafter be irrevocable. Trustor understands that he will not be able to alter, amend, modify, or revoke this trust or to affect the beneficial enjoyment of the interests hereunder, and that is Trustor's intent.

Article XVI
Trustees & Trust Protector Acceptance

The Trustees and the Trust Protector, by their execution of this trust, accept their responsibilities stated herein and agree to perform the same.

IN WITNESS WHEREOF, the Trustor, the Trustees, and the Trust Protector have executed this Trust as of the day and year written below.

Date

John Smith, Jr., Trustor

Administrative Trustee
XYZ Trust Company

Date

By: _____
Its: _____

Date

John Smith, Sr., Investment Trustee

Date

John Smith, Sr., Distribution Trustee

Date

Robert Jones, Trust Protector

SCHEDULE A

Initial Contributions to the *John Smith, Jr.* Irrevocable New Hampshire Trusts